Supreme Court, U.S.
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09-695 SEP 28 2009 No. "09A81"

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In The

Supreme Court of the United States

U.S. Motors, an unincorporated association, comprised of Praha Motors and Bratislava Motors, Delaware limited liability companies, U.S. Motors (SK), a Slovak joint stock company, and Joseph Levin,

Petitioners-Plaintiffs

v

General Motors Europe,

Defendant

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

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December 7, 2009

QUESTIONS PRESENTED

I

Does federal jurisdiction over disputes between any citizen and any alien cover one involving citizens, on one side, with aliens on both sides?

Petitioners answer "Yes."

II

Did the Court error in refusing to consider the records of the Committee, which drafted the Code, while presuming an otherwise unsupported intent?

Petitioners answer "Yes."

III

Did the court error when a motion to supplement an *en banc* rehearing petition, filed while the petition was being considered, was not submitted to the judges before the case was closed?

Petitioners answer "Yes."

RULE 29.6

Petitioners, pursuant to Rule 29.6, state that they are all either privately held companies or individuals and that there is no publicly held corporation with any interest in Petitioners.

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OPINIONS BELOW

The Opinion of the United States Court of Appeals for the Sixth Circuit is reported at 551 F.3d 420 (6th Cir. 2008).

The Opinion and Order of the District Court is reported at 519 F.Supp.2d 671 (ED Mich 2007).

STATEMENT OF JURISDICTION

The decision of the United States Court of Appeals for the Sixth Circuit, affirming the decision of the District Court, was issued on December 31, 2008.

A timely Petition For A Rehearing By The Panel And, If Such A Rehearing Is Denied, A Rehearing En Banc was denied on April 30, 2009.

Justice Stevens granted a timely application for a sixty day extension of the time for the filing of this Petition until Sunday, September 27, 2009, and a Petition [correcting formatting errors in a Petition mailed on September 28] was returned with an October 8 letter from the Office of the Clerk providing sixty days to correct formatting errors corrected by this Petition pursuant to that letter.

RELEVANT PROVISIONS INVOLVED

United States Constitution,
Article III, Section 2, Clause 1

Section 2. The judicial Power shall extend to all Cases, in Law and Equity, arising under this Constitution, the Laws of the United States, and Treaties made, or which shall be made under their Authority; -- to all Cases affecting Ambassadors, other public Ministers and Consuls; -- to all Cases of admiralty and maritime Jurisdiction; -- to Controversies to which the United States shall be a Party;-- to Controversies between two or more States; between a State and Citizens of another State; -- between Citizens of different States; -- between Citizens of the same State claiming land under Grants of different States: and between a State, or the Citizens thereof, and foreign States, Citizens or Subjects.

28 U.S.C. 1332(a)

The district courts shall have original jurisdiction of all civil actions when the matter in controversy exceeds the sum or value of $75,000, exclusive of interests and costs, and is between –

(1) citizens of different States,

(2) citizens of a State and citizens or subjects of a foreign state,

(3) citizens of different States and in which citizens or subjects of a foreign state are additional parties.

STATEMENT

U.S. Motors is an unincorporated association comprised of a Slovak and -- until 2004 [139A] -- a Czech joint stock company owned by the Delaware petitioners whose Members include Czech, Dutch and Slovak citizens [78A].*

In April 1994, General Motors Overseas Distribution Company [GMODC], a subsidiary of General Motors Corporation (GM), distributing its North American sourced vehicles beyond North America, contracted with U.S. Motors to distribute GM Cadillac and Chevrolet vehicles in the Czech Republic and Slovakia in a GMODC decided preference over Defendant General Motors Europe, a Swiss corporation. [78A – 80A, 118A – 124A].

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* Brackets denote pages or notes in this Petition and all bolding and underling is added unless otherwise indicated.

In Fall 1994, the GM Strategy Board transferred GMODC's powers in Europe to General Motors Europe. [80A]

Seven years of continuous intensive work and capital investment, with two sets of GMODC/ General Motors Europe-approved facilities, personnel and financial plans, a 1996-closed, comprehensive Czech bank financing and 1997 completion of the main facility in Prague, was interrupted by successor General Motors Europe officials departing from agreements on the models and the internal margins along with a third 1997 – 2000 set of facilities and management in a joint GM – U.S. Motors effort to enable U.S Motors to proceed into its contracted business ending in 2001. [80A - 116A, 118A - 155A, 213A – 227A, 234A - 236A]

The District Court dismissed this proceeding on the following question -- without any notice or any opportunity to be heard or provide any material on this unusual jurisdictional issue -- even though that issue, the Court noted, was not obvious. [1]

> Does federal alienage jurisdiction apply to a controversy involving a citizen, on one side, and aliens even if aliens are on both sides?

The Court of Appeals affirmed the decision of the District Court after quoting both the Seventh Circuit (Posner, C.J.), opining that cases relied upon by the Sixth Circuit, in answering "no," are "**puzzling**" [*Allendale Mut. Ins. Co. v Bull Data Sys., Inc.*, 10 F.3d 425, 428 (7th Cir. 1993) --

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[1] "At first glance, then, the parties appear to have diverse citizenship – i.e., no Plaintiff shares the same state or foreign citizenship as the Swiss defendant." [69A]

> **"'Exactly what sense all this makes rather eludes us'"** [the Sixth Circuit quoting *Allendale*]

-- and the Tenth Circuit in explicitly concurring with the Seventh Circuit:

> **"'(W)e concur with Judge Posner's observation that this interpretation is far from apparent from the face of 28 U.S.C. 1332(a)(2)."** *Gschwind v Cessna Aircraft Co.*, 232 F.3d 1342, 1345 (10th Cir. 2000).

Apart from citing opinions rightly disparaged by two sister courts, the Sixth Circuit Opinion rests entirely on a completely unsupported supposition -- in a footnote -- that, in enacting § 1332(a)(3),

"Indeed 'Congress was well aware of the judicial interpretation of the diversity statute requiring complete diversity' when Section 1332(a)(3) was added under the 1948 revision and codification of the Judicial Code, Title 28, and 'specifically used language that differs from the sections in which complete diversity had been applied' [quoting from *Dresser Indus. Inc v Underwriters of Lloyd's of London,* 106 F.3d 494, 499 (3d Cir. 1997) (citing, not one pre-1948 decision or other basis for that supposition)].[5A]

That supposition – unsupported by any legislative history or other history whatsoever – is

First) innately most improbable given the size of the Code and the highly technical nature of the particular issue here and

Second) there are very few pre-1948 opinions at all considering this issue. See Note 49 in *Federal Jurisdiction Over Suits Between Diverse United States Citizens With Aliens Joined To Both Sides of The Controversy Under 28 U.S. C. 1332(a)(3),* 38 Rutgers L Rev 71, 81 (1985).

Jurisprudentially, as a result of its quotations of the Seventh and Tenth Circuit opinions --

> without even any attempt to answer them by showing how those judicial interpretations, so derided by them, are somehow logical or sensible,

the Opinion here depends on its footnoted, alternative supposition of a "**Congress . . . well aware,**" while codifying § 1332(a)(2), in 1948,

in its current language -- of the handful of 1878 – 1929 decisions so unquestionably "puzzling" and contrary to the major national interest purposes of alienage jurisdiction [Notes 3 and 11].

The Court denied [39A] Petitioners' Motion [32A – 38A] for leave to present the records of the Advisory Committee which drafted the Judicial Code and upon which Congress, given the lack of any discovered discussion of this issue in any committee hearing or on any Congressional floor, apparently and understandably, entirely relied. 38 Rutgers L. Rev. 87 – 88, ns. 73–76.

The Opinion was issued on December 31, 2008, a few weeks after a December 2008 argument -- possibly before the Court had time to reconcile the rest of its Opinion with the opening substantive paragraph of the Court's own Opinion or to consider the thoughtful construction of §1332 (a) in that opening substantive paragraph of its own Opinion --

explicitly paraphrasing the word "between" in § 1332 (a) as "involving"

– making § 1332(a) consistent with the maximally authoritative, clear and unqualified statements of the Congressional intent and purposes of federal alienage jurisdiction -- basically unchanged since 1787 - 1789] in Notes 2 and 3 on Pages 16 – 17, *infra*.:

"The diversity statute, 28 U.S.C. 1332, provides the district courts with original jurisdiction over 'all civil actions where the matter in controversy exceeds the sum or value of $75,000, exclusive of interest and costs,' and **involves** '(1) citizens of different States; (2) citizens of a State and citizens or subjects of foreign state; [or] citizens of different States and in which citizens or subjects of a foreign state are additional parties.' 28 U.S.C. 1332 (a)." [5 - 6].

The statutory word "**between**" is also authoritatively so construed in the title of the most comprehensive discovered Article on federal alienage jurisdiction not discovered by Petitioners until

March or by the Sixth Circuit in its own independent [the Court found the decision in *Gschwind*] research:

> "Why Alienage Jurisdiction? Historical Foundations and Modern Justifications For Federal Jurisdiction Over Disputes **Involving** Non-Citizens," 21 Yale Journ. International Law 1 (1996) [hereinafter referenced as the "Article"].

A Motion To Amend Or Supplement The Rehearing Petition [40A – 64A], based on the Article, of which a copy was attached to the Motion, was filed after the rehearing clerk of the Court, informed on April 28 of the plan to file the Motion, indicated that the Petition continued to be under consideration by the *en banc* Court and that the filing of such a Motion would then be in order.

The April 28 electronically-filed Motion -- with hard copies delivered to the Court on April 29 -- was not distributed to members of the *en banc* Court before the Clerk of the Court issued the Order Denying The Petition on April 30 [65 - 66A].

REASONS FOR GRANTING THE PETITION

The first substantive paragraph of the Opinion provides a resolution [implementing the 222 years old, clear, broad Congressional intent, national interest purpose of alienage jurisdiction] for that otherwise "sense . . elud(ing) ... puzzl(e)" [Page 7 – 8, *supra*] by logically construing the word "**between**" to mean "**involving**" rather than an unsupported supposition that the normal language statutory

word [2] was meant, for such broad national purposes,[3]

to mean

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[2] The relevant language has been materially unchanged since the constitutional language of 1787 except for 1800 - 1809 Supreme Court corrections of the 1789 statutory omission of the need for a citizen party [Article, Page 29, main text at ns. 153-155] incorporated into an 1875 codification using materially the 1787 constitutional language [Article, Page 21 at ns. 100 – 101]and simply adding the word "and" after "citizens of a State" – a natural language way to make clear the need simply for one or more United States citizens.

The Constitution: "The judicial Power shall extend to all Cases, in Law and Equity, between a State, or the Citizens thereof, any foreign States, Citizens or Subjects." Const., art. III, sec. 2.

The Judiciary Act of 1789: "(T)he circuit courts shall have original jurisdiction .. of **all suits of a civil nature ... where ... an alien is . a party**" – a maximally authoritative statement [the language of Congress itself] of the 1789 Congressionally intended scope subject to revisions, echoing the constitutional language, requiring a citizen party]. §11, 1 Stat. 73]

The Act of March 3, 1875: (T)he circuit courts . . . shall have original jurisdiction . . . of all suits of a civil nature . . . between citizens of a State and foreign states, citizens or subjects. ch. 137, § 1. 18 Stat. 470.

The Act of March 3, 1911: The district courts shall have original jurisdiction . . . (o)f all suits . . . of a civil nature.

a "v" in a formal legal arrangement of all of the parties in any court proceedings.

[N]othing in the statute requires" [4] construing the ordinary, natural language word

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. . between citizens of a State and foreign States, citizens, or subjects." ch. 231, § 24, 36 Stat. 1091.

28 U.S.C. 1332(a)(2). "The district courts shall have original jurisdiction of all civil actions . . . between citizens of a State and citizens or subjects of a foreign state . . ..

[3] Federalist Letter No. 80 (1788):

"[A]s the denial or perversion of justice by the sentences of courts, as well as in any other manner, is with reason classed among the just causes of war, it will follow that the federal judiciary ought to have cognizance of **all causes in which the citizens of other countries are concerned**."

American Law Institute *Study of The Division of Jurisdiction Between The State and Federal Courts*, Page 108 (1968):

"**It is important, in the relations of this country with other nations, that any possible appearance of injustice or tenable ground for resentment be avoided .. with the best procedures ... of the United States** .... "

State Department To A Congressional Committee In 1982:

"**[a]vailability of civil jurisdiction in the federal courts under a single nationwide system of rules tends to provide a useful reassurance to foreign governments and their citizens**."

"**between**" to have been meant to mandate, in a legalistic elaboration upon that very common, broad, every-day and normal use word, a "**v**" --- in the formal caption of a court case -- rather than "**involving**" as the first substantive paragraph of the Court of Appeals' own Opinion and the thoroughly informed Article both construe it.

"**[N]othing in the statute requires**" [4] imposing, upon this 1789, 1875 and, so obviously, ever increasingly, important provision in our federal civil Judicial Code, such a "puzzling" [5] construction not only not appearing to make any basic "sense" [5]

Article, Page 31, Note 166.

[4] *Crawford v Metropolitan Government of Nashville and Davison Cty* , 555 U.S ___, 129 Sup. Ct. 846, 851, 172 L.Ed.2d 650, 657 (2009).

[5] 10 F.3d 428.

but so clearly "far from apparent from the face of 28 U.S.C. 1332(a)(2).[6]

The Rutgers Law Review Note, after listing the pre-1948 decisions at all referring to this issue],[7] notes Professor Moore's statement that

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[6] 232 F.3d 1345

[7] The Note lists the pre-1948 cases, five of them, scattered over 51 years, beginning in 1878 and ending in 1929 – one appellate case, three trial court cases and a Supreme Court case [generally un-cited on this issue for the same reasons that the decision in *Newman-Green, Inc. v. Alfonzo-Larrain*, 490 U.S. 826, 837 (1989), cannot be cited as a Supreme Court ruling on this issue [Note 9]], *Merchants' Cotton Press and Storage Company v Insurance Company of North America*; 151 U.S. 368, 385 – 386 (1894); *Ex Parte Edelstein*, 30 F.2d 636, 638 (2d Cir.1929); *Compania Minera, S.A. v American Metal Co.*, 262 F.183, 186-187(W.D. Tex.1920); *Mc Henry v . New York , P & O. R.R.*, 25 F. 65, 66 – 68 (W.D. Pa. 1885); *Sawyer v Switzerland Mar. Ins. Co.*, 21 Fed. Cas. 589 (S.D. N.Y. 1878). 38 Rutgers L. Rev. 81.

> **"where a citizen of a state is joined with an alien in opposition to another alien, <u>the conditions which are said to justify diversity [federal] jurisdiction appear to be even more clearly present</u>**, and here, as elsewhere, minimal, rather than complete, diversity should permit the exercise of federal court jurisdiction." 38 Rutgers L. Rev. 74.

The 1985 Note, the most meticulous and thorough consideration of federal alienage jurisdiction prior to the 1996 Article, correctly states, after noting the 1894 Supreme Court decision in *Merchants Cotton Press and Storage Company,* that

"the Supreme Court has never ruled on the application of the complete diversity requirement to alienage jurisdiction." [8]

The 1996 Article – referencing *Newman – Green, Inc.* 490 U.S. 826, 837 (1989) --

-- reconfirms that same conclusion that the Supreme Court has never ruled upon whether §1332(a)(2) should be construed as the first substantive paragraph of the Opinion rightly construes it [6A] or as it is construed in opinions rightly regarded by two Circuit Courts to lack any apparent sense:

"Since . . . the famous 1809 decision of *Hodgson v Bowerbank*, . . . the Court on many occasions has

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[8] 38 Rutgers L. Rev. 81.

reaffirmed the rule that alienage jurisdiction cannot be exercised over a dispute unless a U.S. citizen or state is a party to the action (but) has decided few other alienage cases and has not offered any major statements about the purposes of alienage jurisdiction. * * * Generally speaking, the Court has imported the rules applicable to diversity cases to alienage cases, a practice consistent with **the longstanding failure to differentiate between the two forms of jurisdiction**. For example, . . . the Court has interpreted the diversity statute as requiring a variation of the rule of complete diversity in alienage cases [citing only *Newman-Green* and a 1929 case unrelated to §1332(a)(2)]. [9]

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[9] Article, Page 30. In *Newman-Green*, the Court

- accepted, in *dicta*, the apparently un-argued and, therefore, never ruled upon pre-*Allendale* reading of

No discovered decision of any court construes §the 1332(a)(2) language in the light of the maximally authoritative, 1787 – 89 stated intended purpose and scope of the provision being construed --

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§1332(a)(2) by Judge Posner and the Seventh Circuit, like Judge Posner's and the Seventh Circuit's "exactly what sense this all makes rather eludes us" [with subsequent concurrence by the Tenth Circuit] reading of §1332(a)(2) and the other decisions [relied upon by the Court of Appeals Opinion] in *Allendale,* 10 F.3d 428, four years later, and

- both the Supreme Court and Seventh Circuit obviated that uncontested construction of §1332(a)(2), by deciding to preserve federal jurisdiction in a case where one of the parties was neither a citizen nor an alien under §1332(a)(2) or §1332(a)(3) but, instead, a "stateless" person [a U.S. citizen not domiciled in any State but, in a foreign country]. Judge Posner and the Seventh Circuit would have resolved it, by remanding the case to the District Court to consider whether it would be prudent to drop the "stateless" person from the litigation. The Supreme Court finally resolved it by dismissing the "stateless" person without a remand,

with a dissent by Justice Scalia making clear, along with the substance of the majority opinion, that the capacity of an appellate court to cure a conceded, in that case, technical jurisdictional defect, without a remand, was the only issue ever raised, argued and, in any reading of the opinion, presented to, or decided by, the Supreme Court in that case. 490 U.S. 837;

modified only once, in 1875, to incorporate Supreme Court decisions that there must be a citizen party. Mossman v Higginson, 4 U.S. 12 (1800) and *Hodgson v Bowerbank*, 9 U.S 303, 304 (1809).

Affidavits in the Record here exemplify the need for federal jurisdiction [10] identified by the

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1. Affidavit of Marek Czivis, Czech counsel to U.S. Motors on an issue of Czech law which underlies the filings in these proceedings on July 10 and 11, 2007. [229A – 230A]

2. Affidavit of Hans Halbach, 1993 – 1996 Vice-President of General Motors Overseas Distribution Corporation [a subsidiary of General Motors Corporation] For Global Marketing With Special Responsibility For Europe attesting to all of the basic contractual understandings with GM Europe underlying this action. [117A – 156A].

3. Affidavit of Karel Valenta, selected by Anderson Consulting [one of the world's most respected management consulting firms], in 1991, to establish the operations of Anderson Consulting in what was then the Republic of Czechoslovakia, who, in 2007, undertook, along with Ing. Petr Kratochvil, to replace the 1994 – 1997 Czech leadership of the U.S. Motors Czech operating company [U.S. Motors, a.s., a Czech

Yale Article for that maximally authoritative,

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joint stock company, wholly owned by Praha Motors, L.L.C., a Delaware limited liability company], but whose uncontested January 2008 election, along with the uncontested January 2008 election of other new members of the governing board of the Czech company, was not recognized so they could act under Czech law until June 1999, due to antiquated Czech law finally requiring an appeal to a Czech appellate court, described, based on U.S. Motors' 1998 – 1999 delay, in an article in a Czech legal journal, *Pravnik* [Lawyer] 2000, entitled *The Commercial Register In The Light Of An (Un)typical Case* [179A – 212A]. [157A – 212A]

4. Affidavit of Ing. Petr Kratochvil, the Founder and former President of the Czech Union of Motor Vehicle Importers, whose election in January 1998 to be the new Chairman of the Czech company could not be recorded in the Register of the Commercial Court in Prague, so he could act, under Czech law, in behalf of the U.S. Motors Czech operating company, until June 1999. [213A – 232A].

5. Affidavit of Joseph Levin, entrusted with all contracting and legal matters of U.S. Motors, [JA-2], including an exceptionally detailed business plan projection [JA 288 – 327], based on basic numbers found reasonable by Coopers & Lybrand [JA 90, 288], the independent auditor of the Czech bank which provided the financing for U.S. Motors [JA 9–10], and subsequent officially reported Czech motor vehicle sales market data [233A – 276A].

1787/1789/1875-Congressionally-expressed, United States Department of State and American Law Institute confirmed purpose and need in substantial international civil litigation. [11]

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[11] Quoting and applying categories of the constitutionally recognized advantages of federal jurisdiction in constitutional law litigation -- described in *The Myth of Parity*, 90 Harv. L. Rev. 1105 (1977) -- to international civil cases including citizens and non-citizens, the Article emphasizes the following -- understood in 1787–1789 just as it is by the American Law Institute and the State Department [Note 3 in this Petition]:

> "'Technical Competence: *** A small elite core of federal judges aided by first rate law clerks are preferable in deciding difficult cases. * * * "Such competence on the part of the federal courts would be expected to inspire the confidence of foreign governments and noncitizens generally, which the Framers of the Constitution thought necessary for diplomatic and commercial purposes. Federal courts generally are more selective when it comes to cases and judges, have smaller case loads than state court judges, and have more resources at their disposal. The federal courts decide a number of cases with foreign policy ramifications and are aware of the significant, often complex issues raised by such cases. Armed with experience, federal courts should be expected

The Amended Complaint relates nine years of intensive, extensive investment of funds and far more than full-time professional services to distribute and/or market North American source vehicles of General Motors Corporation, under GM entity-approved and contracted plans, in the newly opened markets of the Czech Republic and Slovakia with equity capital from Czech, Slovak, Dutch and U.S. citizens and debt capital from a Czech bank --

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to weigh the appropriate interests in the typical alienage case and take steps to minimize foreign relations consequences. Indeed, this preference for allowing the federal government to deal with matters implicating foreign relations was one of the reasons for the Constitutional Convention. **The *perception* [italics in the original] of foreign governments and noncitizens that federal courts are more competent than state courts is crucial to the decisions of foreign businesses and governments on issues such as where to invest capital."** Article, Page 50.

all obstructed by the contracting and wholly-owned Swiss subsidiary of General Motors Corporation. Amended Complaint [80A – 116A] and Affidavit of Hans Halbach [119A–155A].

CONCLUSION

Petitioners, for the foregoing reasons, respectfully request this most honorable Court to issue a Writ of Certiorari to the United States Court of Appeals in this proceeding.

Most respectfully,

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RECOMMENDED FOR FULL – TEXT PUBLICATION
Pursuant to Sixth Circuit Rule 206
File Name: 08a0464p.06

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

U.S. MOTORS, PRAHA MOTORS, LLC, BRATISLAVA MOTORS, LLC, U.S. MOTORS (SK), and JOSEPH LEVIN,

Plaintiffs-Appellants,

v.

GENERAL MOTORS EUROPE, a Swiss Corporation,

Defendant-Appellee,

No. 07-2472

Appeal from the United States District Court

For the Eastern District of Michigan at Detroit,

No. 07-12901 – Gerald E. Rosen, District Judge.

Argued and Submitted: December 10, 2008

Decided and filed: December 31, 2008

Before: DAUGHTREY and GILMAN, Circuit

Judges; RESTANI, Judge.*

RECOMMENDED FOR FULL – TEXT PUBLICATION
Pursuant to Sixth Circuit Rule 206
File Name: 08a0464p.06

COUNSEL

ARGUED: Benjamin W. Jeffers, DYKEMA GOSSETT, Detroit, Michigan, for Appellee. **ON BRIEF:** Joseph Levin, JOSEPH LEVIN, Detroit, Michigan, for Appellant. Benjamin W. Jeffers, DYKEMA GOSSETT, Detroit, Michigan, James P. Feeney, DYKEMA GOSSETT, Bloomfield Hills, Michigan, for Appellee.

OPINION

RESTANI, Judge. Appellants U.S. Motors, Praha Motors, LLC, Bratislava Motors, LLC, U.S. Motors (SK), and Joseph Levin (collectively, "Appellants") appeal from the decision of the United States District Court for the Eastern District of Michigan dismissing their complaint against appellee General Motors Europe ("G.M. Europe") for lack of subject matter jurisdiction. The district court held that under 28 U.S.C. § 1332(a)(2), diversity jurisdiction was lacking in a suit between domestic and foreign plaintiffs and a foreign defendant. We affirm.

I.

Appellants allege that G.M. Europe breached an agreement that would have allowed U.S. Motors to serve as the exclusive distributor of General Motors vehicles in the Czech Republic and Slovakia. Appellants are comprised of citizens of three states – Florida, Iowa, and Michigan – and three countries – the Czech Republic, Slovakia, and the Netherlands. G.M. Europe is a Swiss corporation.

Appellants filed an amended complaint on July 27, 2007, stating that diversity of citizenship was the basis for the district court's subject matter jurisdiction. On August 1, 2007, G.M. Europe filed a motion to dismiss under Federal Rules of Civil Procedure 41(a) and 12(b)(6). On August 13, 2007, the district court, sua sponte, issued an order to show cause why the case should not be dismissed for failure to set forth sufficient information to support

diversity of citizenship. [1] Appellants submitted additional information on August 23, 2007, and in an opinion and order dated October 24, 2007, the district court dismissed the case for lack of subject matter jurisdiction under 28 U.S.C. § 1332.[2] Appellants now appeal.

II.

We review a district court's legal determination of subject matter jurisdiction *de novo* and factual determinations for clear error. *United States v. Gabrion*, 517 F.3d. 839, 872 (6th Cir. 2008).

The diversity statute, 28 U.S.C. § 1332, provides the district courts with original jurisdiction

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[1]Unincorporated associations, such as U.S. Motors, have no separate legal identity and are not considered citizens of any state for diversity purposes and, therefore, must show diversity of citizenship based on the citizenship of each of their members. *Certain Interested Underwriters at Lloyd's, London, Eng. V. Layne*, 26 F.3d 39, 41 (6th Cir. 1994)

[2] Because the district court held that it lacked subject matter jurisdiction, it did not address G.M. Europe's motion to dismiss.

over "all civil actions where the matter in controversy exceeds the sum or value of $75,000, exclusive of interest and costs," and involves "(1) citizens of different States; (2) citizens of a State and citizens or subjects of a foreign state; [or] (3) citizens of different States and in which citizens or subjects of a foreign state are additional parties..." 28 U.S.C.§ 1332(a). As noted by the district court, jurisdiction in this case cannot be predicated on either § 1332(a)(1) or (a)(3) because U.S. citizens are not on both sides of the controversy. G.M. Europe, the only appellee in this suit, is a Swiss company and not a citizen of a U.S. state.

Section 1332(a)(2), however, also does not apply because this case is not between "citizens of a State and citizens or subjects of a foreign state," but rather, involves a combination of domestic and foreign plaintiffs and a foreign defendant. The

district court reasoned that in order for § 1332(a)(2) to apply, "one would have to construe the statutory language as encompassing suits between citizens of one or more States, **with or without citizens of foreign states as additional parties**, and citizens or subjects of a foreign state." *U.S. Motors v. Gen. Motors Europe*, 519, F. Supp. 2d 671, 673 (.E.D. Mich. 2007). The district court determined that subsection (a) (3) makes clear that the jurisdiction provided for under § 1332(a)(1) – for suits, between "citizens of different States" – is still available when foreign parties are added on either side. *Id.* The district court reasoned that this implies that jurisdiction would be "defeated in other classes of cases by the addition of foreign parties," *i.e.*, in a § 1332(a)(2) suit between domestic citizens and foreigners, and dismissed the case for lack of subject matter jurisdiction. *Id.* At 673-74; see also *Allendale*

Mut. Ins. Co. v. Bull Data Sys., Inc., 10 F.3d, 425, 428 (7th Cir. 1993) (noting that diversity jurisdiction would be lacking where "there was no citizen on one side, which took it out of (a)(3)" and "(a)(2), when read in light of (a)(3), does not permit a suit between foreigners and a mixture of citizens and foreigners").[3]

The district court's interpretation is widely supported by case law that finds subject matter jurisdiction lacking under § 1332(a)(2) where there are foreign parties on each side of the dispute. In finding jurisdiction lacking, courts generally rely on two rationales. First, because "[d]iversity jurisdiction does not encompass foreign plaintiffs suing foreign defendants," the presence of U.S. citizens on only one side of the dispute does not

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[3]Appellants do not allege that there are any dispensable, non-diverse parties that may be dismissed pursuant to Federal rule of Civil Procedure 21 to cure this jurisdictional defect and preserve jurisdiction over the U.S. citizen plaintiffs under § 1332(a)(2).

preserve jurisdiction. *Faysound Ltd. V. United Coconut Chems., Inc.* 878 F.2d 290, 294 (9th Cir. 1989) (internal quotations marks and citation omitted); see also *Extra Equipamentos e Exportacao Ltda. V. Case Corp*, 361 F.3d 359, 361 (7th Cir. 2004) ("The diversity jurisdiction does not extend to a suit in which there is a U.S. citizen on only one side of the suit and foreign parties on both sides."); *Universal Licensing Corp. V. Paola Del Lungo S.P.A.*, 293 F.3d 579, 581, (2d Cir. 2002) ("[D]iversity is lacking within the meaning of [§ 1332(a)(2) and (3)] where the only parties are foreign entities, or where on one side there are citizens and aliens and on the opposite side there are only aliens."); *Dresser Indus., Inc. v. Underwriters at Lloyd's of London*, 106 F.3d 494, 499 (3d Cir. 1997)("[S]ection 1332(a)(2) only grants jurisdiction in cases between aliens and citizens. Cases between aliens on one side and aliens

and citizens on the other, therefore, do not fit the jurisdictional pigeonhole.").[4]

Second, courts have consistently interpreted *Strawbridge V. Curtiss*, 7 U.S. (3 Cranch) 267 (1806), for purposes of § 1332(a)(2) to require complete diversity between the parties. See *Craig v. Atl. Richfield Co.*, 19 F.3d 472, 476 (9th Cir. 1994) (Under § 1332(a)(2) complete diversity was lacking where "the case involved a single foreign plaintiff...and numerous foreign defendants (in addition to U.S. defendants)."); *Eze v. Yellow Cab Co. of Alexandria, Va.*, 782 F.2d 1064, 1065 (D.C. Cir. 1986) ("[U]nder long-held precedent, diversity must be 'complete.'...A diversity suit, in line with the

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[4]A few courts have opined, albeit in dicta, that it is not clear under § 1332(a)(2) whether U.S. citizens are required on both sides of an action between foreign parties. See *Allendale*, 10 F.3d at 428 ("Exactly what sense all this makes rather eludes us."); see also *Gschwind v. Cessna Aircraft Co.*, 232 F.3d 1342, 1345 (10th Cir. 2000) ("[W]e concur with Judge Posner's observation [in *Allendale*] that this interpretation is far from apparent from the face of 28 U.S.C. § 1332(a)(2).").

Strawbridge rule, may not be maintained in federal court by an alien against a citizen of a state and a citizen of some other foreign country."); *Chick Kam Choo v. Exxon Corp.*, 764 F.2d 1148, 1151 (5th Cir. 1985) ("For the purposes of section 1332(a)(2) complete diversity is required.").[5]

Our recent discussion in *Peninsula Asset Management (Cayman) Ltd. V. Hankook Tire Co.*, 509 F.3d 271 (6th Cir. 2007), issued after the district court's decision, is also instructive in this matter. In

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[5] Most courts have accepted that an express exception to the complete diversity requirement is present in § 1332(a)(3). *See, e.g., Dresser Indus.*, 106 F.3d at 499; *Transure, Inc. v. Marsh & McLennan, Inc.*, 766 F.2d 1297, 1298-99 (9th Cir. 1985). That is § 1332 (a)(3) is worded differently from the other sections and provides for jurisdiction over cases between diverse U.S. citizens "in which citizens or subjects of a foreign state are additional parties." 28 U.S.C. § 1332(a)(3); *see also Dresser Indus.*, 106 F.3d at 499. Indeed, "Congress was well aware of the judicial interpretation of the diversity statute requiring complete diversity " when section 1332(a)(3) was added under the 1948 revision and codification of the Judicial Code, Title 28, and "specifically used language that differs from the sections in which complete diversity had been applied." Id. At 498. There is no indication, however, that Congress intended to change the complete diversity requirement for § 1332(a)(1) and (a)(2).

Peninsula, the plaintiffs, a Grand Cayman Islands corporation and two U.S. residents, attempted to avoid the limitations of § 1332(a)(2) by alleging that because the Grand Cayman islands corporation had its principal place of business in the United States, the plaintiffs were diverse from the defendants, a South Korean corporation and a South Korean citizens. *Id.* At 271-72. We noted, however, that "[i]t is well established that, under § 1332(a)(2), 'even if a corporation organized under the laws of a foreign nation maintains its principal place of business in a State, and is considered a citizen of that State, diversity is nonetheless defeated if another alien party is present on the other side of the litigation.'" *Id.* At 272-73 (quoting *Creaciones Con Idea, S.A. de C.V. v. Mashreqbank PSC*, 232 F.3d 79, 82(2d Cir. 2000)). In *Peninsula*, as here, § 1332(a)(3) was not applicable because there were not U.S. citizens on

each side of the dispute. *Id.* at 272. Finding "alien corporations on both sides of the controversy," we stated that the case lacked "the complete diversity required for a federal court to exercise diversity jurisdiction under § 1332(a)(2)," *Id.* At 272.

We join our sister circuits that have held the presence of foreign parties on both sides of the dispute destroys the complete diversity required by § 1332(a)(2). Accordingly, the case must be dismissed for lack of subject matter jurisdiction.

III.

For the foregoing reasons, we AFFIRM the judgment of the district court.

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

U.S. Motors, an unincorporated association, et al. Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, U.S. Motors (SK), a.s., a Slovak joint stock company, and Joseph Levin,

Plaintiffs-Appellants,

General Motors Europe, a Swiss corporation,

Defendant-Appellee.

District Court No. 07-12901

Court of Appeals No. 07-2472

PLAINTIFFS-APPELLANTS' PETITION FOR A REHEARING BY THE PANEL AND, IF SUCH A REHEARING IS DENIED, A REHEARING EN BANC

January 28, 2009

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Federal Jurisdiction Over Suits Between Diverse United States Citizens With Aliens Joined To Both Sides of The Controversy Under 28 U.S.C 1332(a)(3) 38 Rutgers L. Rev. 71 (1985) 5

Plaintiffs-Appellants [hereinafter, "U.S. Motors"] respectfully petition this honorable Court to order a rehearing of this appeal before the panel which issued the December 2008 Opinion or, if such a rehearing is denied, a rehearing en banc on the following question:

> Is this action between U.S. citizens, a Czech, a Slovak and a Dutchman against a Swiss corporation within the federal alienage jurisdiction in 28 U.S.C. 1332(a)(2)?

Half of the 12 Courts of Appeals have either not ruled or have expressed explicit doubt about whether the construction of §1332(a)(2) -- adopted by the Opinion – makes "sense." [1]

Note: All underlining and bolding in this Petition is added.

Federal jurisdiction of "all causes of all causes in which the citizens of other countries are concerned" [Federalist Letter No.80] is recognized by an American Law Institute Study to be of exceptional public importance [2] inevitably affecting our relations with other nations and peoples.[3]

"[N]othing in the statute requires" [4] such a "puzzling" [10 F.3d 427] construction not appearing

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[1] The Court of Appeals for the Seventh Circuit, referring to the statutory construction adopted by the Opinion here, has written: "**Exactly what sense this all makes rather eludes us.**" *Allendale Mut. Ins. Co v. Bull Data Sys.*, Inc, 10 F.3d 425, 428 (7th Cir. 1993).

The Court of Appeals for the Tenth Circuit writes: "**[W]e concur with Judge Posner's observation** [in *Allendale*] **that this interpretation is far from apparent from the face of 28 U.S.C. 1332(a)(2).** *Gschwind v Cessna Aircraft Co.*, 232 F.3d 1342, 1345 (10th Cir. 2000).

[2] F.R.A.P. 35.

[3] American Law Institute, *Study of The Division of Jurisdiction Between The State and Federal Courts* (1968).

[4] *Crawford v Metropolitan Government of Nashville and Davison Cty*, __ U.S. __Slip Opinion, January 26, 2009, Page 6. Without equating the character of the fact situation in

to make "sense" [10 F.3d 428] so "far from apparent from the face of 28 U.S.C. 1332(a)(2)." 232 F.3d 1342.

Federalist No. 80, Constitution, Article III, Section 2, Judiciary Acts of March 3, 1789 and March 3, 1875 And American Law Institute-Confirmed Broad Purpose of Federal Alienage Jurisdiction

The breadth of the 1788 Federalist Letter No. 80-stated purpose of the alienage jurisdiction in Section 2 of Article III of the Constitution [clearly covering this action] --

> as the denial or perversion of justice by the sentences of courts, as well as in any other manner, is with reason classed among the just

---

(footnote continue from previous page)

Crawford with the fact situation here, the illogic in *Crawford* of protecting an employee who initiates a complaint but not one who testifies in support of it resonates with the illogic of the result here given the Federalist and American Law Institute stated purpose of federal alienage jurisdiction.

causes of war, it will follow that the federal judiciary ought to have cognizance of all causes in which the citizens of other countries are concerned

is confirmed by 1) the language on the next page from the 1788-ratified Constitution, the Judiciary Act of 1789 and the only amending enactment – an 1875 codification simply including that same Constitutional language to require the presence of at least one citizen in the controversy -- and 2) by the following explanation of the purpose of alienage jurisdiction in a 1968-published American Law Institute Study:

> The [fact that the] loser in a lawsuit very commonly thinks of himself as a victim of injustice . . has particular relevance to that branch of diversity jurisdiction that extends to

> suits between citizens and aliens. * * * It is important, in the relations of this country with other nations, that any possible appearance of injustice or tenable ground for resentment be avoided . . . with the best procedures . . . and with the dignity and prestige of the United States . . ..

American Law Institute *Study of The Division of Jurisdiction Between The State and Federal Courts* (1968), Page 108.

Section 2 of Article III of the Constitution provides:

> **The judicial Power shall extend to all Cases . . . <u>between</u> a State, or the Citizens thereof, any foreign States, Citizens or Subjects.**

The language of the contemporaneous Section 11 of the Judiciary Act of March 3, 1789 –

> **"the circuit courts shall have original jurisdiction . . . of all suits . . . where an alien is. . . a party"**

_makes unmistakably clear that the word "between" in the quoted language in the 1788-ratified Constitution was not at all understood by drafters of the Constitution --

> or at all understood by the contemporaneous Congress which drafted what, to this day, is essentially the statutory provision for alienage jurisdiction on which this action now relies

-- to suggest --

> as it must be construed to suggest and mean in order to produce the result here

-- a "far from apparent" [10 F.3d 345], most inarticulate requirement of the presence, in the style and the structure of any case, of a "v" between the "Citizen" and all the "Foreign Subjects."

Given the Federalist-stated, the Article III- and the Judiciary Act of 1789-reflected and the clearly correct, American Law Institute-confirmed purposes of federal alienage jurisdiction,

> (e)xactly what sense (any such construction) makes rather eludes (all of) us. [5]

For 220 years, the language of the statutory provision for alienage jurisdiction –

> on which this action is based and which all of the decisional law treats as the governing language in a case involving a citizen on only one side and aliens on more than one side of the controversy

-- has been completely unchanged except for an 1875 codification inserting, pursuant to the decision ten years later in *Mossman v Higginson,* 4 U.S. (4 Dall. 12) (1800), and that same language of Section 2 of Article III, there must be at least one citizen in the controversy -

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[5] 10 F.3d 428.

> "the circuit courts . . . . shall have original jurisdiction . . . of all suits . . . between a citizen of a State and foreign states, citizens or subjects" [6]

in essentially the 1787 language in Section 2 of Article III of the Constitution --- all Cases ... between a State, or the Citizens thereof, and foreign States, Citizens or Subjects -- with no suggestion whatsoever that the citizen had to be one side and all of the aliens had to be only the other side of the controversy – a requirement which would make no sense, given those authoritative purposes, and has

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[6] Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That **the circuit courts** of the United States **shall have original jurisdiction**, concurrent with the courts of the several States, **of all suits of a civil nature** at common law or in equity, where the matter in dispute exceeds, exclusive of costs, the sum or value of five hundred dollars, and arising under the Constitution or laws of the United States, or treaties made, or which shall be made under their authority, or to which the United States are plaintiffs or petitioners, or which there shall be controversy between citizens of different States or between citizens of the same State claiming lands under grants of different States, or a controversy **between citizens of a State and foreign states, citizens or subjects**. Act of March 3, 1875, ch. 137, § 1, 18 Stat. 40.

no basis whatsoever in any other historical source of any kind.

That same relevant language was continued in Section 24 of the Act of March 3, 1911 [7] and Section 1332(a)(2) of the United States Code as enacted in the Judicial Reform Act of 1948.[8]

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[7] **The district courts shall have original jurisdiction:**

> **"First. Of all suits of a civil nature,** at common law or in equity, brought by the United States , or by any officer thereof authorized by law to sue, or between citizens of the same State claiming lands under grants from different States; or, where the matter in controversy exceeds, exclusive of interest and costs, the sum or value of three thousand dollars, and (a) arises under the Constitution, or laws of the United States, o treaties made, or which shall be made, under their authority, or (b) is between citizens of a State and foreign States, or (c) is **between citizens of a State and foreign States, citizens, or subjects.**" Act of March 3, 1911, ch. 231, § 24, 36 Stat. 1091.

[8] "(a) **The district courts shall have original jurisdiction of all civil actions** where the matter in controversy exceeds the sum or value of $10,000, exclusive of interest and costs, and is between (1) citizens of different States; (2) **citizens of a State and citizens or subjects of a foreign state;** (3) citizens of different States in which citizens or subjects of a foreign state are additional parties . . .." 28 U.S.C. 1332(a)(2).

The answer to how the authoritatively and understandably "puzzling" concept –

> found to lack "sense" by two Courts of Appeals for two Circuits with no suggestion of any rational purpose by the Court of Appeals for any other Circuit

-- ever developed may lie in a cursory notation of its development at Notes 45 – 49 on Pages 81 – 82 of a law review note, citing a relatively few, 19th Century cases which applied the "complete diversity" requirement of *Strawbridge v Curtis*, 7 U.S. (3 Cranch) 267 (1806), for jurisdiction over disputes between citizens or residents of the States, driven by concern about prejudice between the citizens of the States, to alienage jurisdiction with its very different purpose of providing the nation's highest quality judicial resources to a dispute between a citizen and

aliens made explicitly clear both by Federalist Letter No. 80 and the American Law Institute on Page 3.[9]

The Note points out the major difference – completely ignored by the cited decisions in applying the complete diversity of citizenship requirement in Strawbridge to alienage cases – between 1) the purposes of federal jurisdiction in disputes between citizens of the different States and the purposes of federal jurisdiction in disputes including both citizens and aliens and, specifically, how the Congress has been on the verge of eliminating diversity of (U.S.) citizenship jurisdiction with increasing awareness of the importance of alienage jurisdiction.

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[9] *Federal Jurisdiction Over Suits Between United States Citizens With Aliens Joined On Both Sides of The Controversy Under 28 U.S.C. §1332(a)(3)*, 38 Rutgers L. Rev. 81 (1985).

Section 1332(a) is an atypical, extraordinary example – explained by its history -- of a statute which appears to be addressing one area of the law but actually is addressing two very different areas of the law with very different concerns – 1) domestic diversity of citizenship jurisdiction and 2) alienage jurisdiction.

Nothing in Section 1332(a)(2) "requires requires" [10] a "puzzling" [10 F.3d 427] construction not appearing to make "sense" [10 F.3d 428] so "far from apparent from the face of 28 U.S.C. 1332(a)(2)" [232 F.3d 1342]" in view of the Courts of Appeals for two Circuits and for which no Circuit has ever suggested a reason consistent with the purpose

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[10] *Crawford v Metropolitan Government of Nashville and Davison Cty*, __ U.S. __Slip Opinion, January 26, 2009, Page 6. Without equating the character of the fact situation in *Crawford* with the fact situation here, the illogic in *Crawford* of protecting an employee who initiates a complaint but not one who testifies in support of it resonates with the illogic of the result here given the Federalist and American Law Institute stated purpose of federal alienage jurisdiction.

of that provision clearly stated by Federalist Letter No. 80, reflected in the language of Section 2 of Article III of the Constitution as it was contemporaneously construed in Section 11 of the Judiciary Act of 1789 and modified in 1875 by including the obvious requirement of a citizen in the controversy by simply including the exact language of the Constitution with no suggestion that the aliens had to be on one side of the controversy.

No such requirement was suggested because such a requirement would be and is so completely "puzzling" that it makes no "sense," given those clear, important national purposes, now so increasingly important to our security in this world and so "far from apparent" from the language of Section 1332(a)(2).

With half of the Circuit Courts of Appeals having never ruled on this issue and two of them having rejected such a requirement, there is every reason for this honorable Court to rehear this matter, in the light of this analysis, not provided to the panel which issued the Opinion, and consider whether it can provide, in the vacuum of prior consideration in the decisional law of the purposes of Section 1332(a)(2), a decision consistent with those clear and important purposes.

Most respectfully submitted,

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UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

U.S. Motors, an unincorporated association, et al. Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, U.S. Motors (SK), a.s., a Slovak joint stock company, and Joseph Levin,

Plaintiffs-Appellants,

General Motors Europe, a Swiss corporation,

Defendant-Appellee.

District Court No. 07-12901

Court of Appeals No. 07-2472

PLAINTIFFS-APPELLANTS' MOTION FOR TIME TO FILE BY MARCH 2, 2009, THE RECORDS OF THE MEETINGS OF THE 1944 – 1946 ADVISORY COMMITTEE DRAFTING THE 1948 JUDICIAL CODE REVISION OF THE PROVISIONS ON FEDERAL, U.S. CITIZEN DIVERSITY AND FEDERAL ALIENAGE JURISDICTION, IN A SUBMISSION TO THE COURT ON THE CONGRESSIONAL INTENT ASSUMED BY THE OPINION, WITHOUT THE ACTUAL LEGISLATIVE HISTORY OF THE REVISION, FOR CONSIDERATION BEFORE RULING ON THE PETITION FOR A REHEARING

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February 24, 2009

Plaintiffs-Appellants [hereinafter, "U.S. Motors"] respectfully move for the panel of this honorable Court on this appeal or, if not, the Court, en banc, to consider the pending Petition For A Rehearing in the light of a submission of the actual legislative history, relevant to the Congressional intent in enacting 28 U.S.C 1332(a), filed by Monday, March 2, 2009.

The Congressional Research Service of the Library of Congress informed the Office of Congressman Gary C. Peters last week that it will provide shortly the records of the four, 1944 – 1946 meetings of the Committee, comprised of Members of Congress, jurists and legal scholars, which drafted the Judicial Code in the current language in 28 U.S.C. 1332(a)(1) - (3). [1]

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[1] Note, *Federal Jurisdiction Over Suits Between Diverse United States Citizens With Aliens Joined To Both Sides of The Controversy,* 38 Rutgers L. Rev. 71, 87 – 88, ns. 71 - 76 (1985).

The Opinion basically finds a 1948 Congressional intent to deny alienage jurisdiction of a controversy involving citizens and aliens on one side but only aliens on the other side. [2]

Given the national security [3] [our relations with other peoples [4]], corporeally [5] authoritative purpose of alienage jurisdiction, **that proposition is so innately improbable** that it leads the Court of Appeals for the Seventh Circuit to opine that

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[2] Opinion, Pages 4 – 5, finding such an intent from the 1948 enactment of 28 U.S.C. 1332(a)(3) [protecting diversity of citizenship jurisdiction from the supposition that the presence of aliens on both sides bars otherwise available jurisdiction under 28 U.S.C. 1332(a)(1) [the diversity of citizenship provision] without revising 28 U.S. 1332(a)(2) [the alienage jurisdiction provision] without the records of the discussions and drafts in the actual meetings of Members of Congress, jurists and scholars producing the current language of 28 U.S.C. 1332(a)(1) - (3).

[3] 1788 Federalist Letter and 1789 Judiciary Act provisions in the attached Petition, Page 2.

[4] The 1965-68 American Law Institute Study of federal and state jurisdiction quoted on Page 2.

[5] 1788 Federalist No. 80 and Section 11 of the Judiciary Act of 1789, revised only in the 1875 codification to incorporate an 1800 decision that there must be one citizen. Petition Pages 2 - 4.

decisions [including decisions extending the complete diversity rule in federal diverse citizenship jurisdiction to federal alienage jurisdiction despite the very different intent and purpose of alienage jurisdiction, [3-5]] cited by the Opinion here, are

> **'puzzling . . . (e)xactly what sense this all makes rather eludes (all of) us** [6]

with explicit concurrence from the United States Court of Appeals for the Tenth Circuit, adding that the same construction of §1332(a)(2) alienage jurisdiction, adopted by the Opinion here, is

> **"far from apparent from the face of 28 U.S.C. 133(a)(2)."** [7]

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[6] *Allendale Mut. Ins. Co. v Bull Data Systems, Inc.*, 10 F.3d 425 (7th Cir. 1993).

[7] *Cessna Aircraft Co.*, 232 F.3d 1342, 1345 (10th Cir. 2000).

U.S. Motors respectfully submits that,

1) given the opinion of two United States Courts of Appeals that the construction, adopted here, is "puzzling" to the extent that its basic "sense" eludes those two sister courts and is "far from apparent" from the face of the statute, providing a sector of federal jurisdiction, authoritatively important to our national security, including our relations with other peoples,

2) the reliance of the Opinion here on other decisions of other sister courts [including a decision [8] finding such an intent, like the Opinion here, without any reference to the meetings of Members of Congress, jurists and scholars which actually produced the language of the statute], so characterized by the Courts for the Seventh and Tenth Circuits, and

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[8] *Dresser Indus., Inc., v Underwriters at Lloyds of London*, 106 F.3d 494, 499 (3d Cir. 1997), relied upon in Note 5 on Page 5 of the Opinion, in perceiving such a Congressional intent.

3) the lack of any resulting prejudice to the substantial rights of any party,

this honorable Court should grant this Motion.

Most respectfully submitted,

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UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

US. MOTORS, ET AL.,	)
Plaintiffs-Appellants,	)
	)
v.	) ORDER
	)
GENERAL MOTORS EUROPE,	)
A SWISS CORPORATION,	)
Defendant-Appellee,	)

Upon consideration of the appellants' Motion for leave to supplement the petition for rehearing en banc,

IT IS ORDERED that the motion be and it hereby is DENIED.

ENTERED BY ORDER OF THE COURT,

Leonard Green /s/
Clerk

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

U.S. Motors, an unincorporated association, et al. Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, U.S. Motors (SK), a.s., a Slovak joint stock company, and Joseph Levin,

Plaintiffs-Appellants,

v.

General Motors Europe, a Swiss corporation,

Defendant-Appellee.

District Court No. 07-12901

Court of Appeals No. 07-2472

PLAINTIFFS-APPELLANTS' MOTION FOR LEAVE TO AMEND OR SUPPLEMENT THEIR PETITION FOR A REHEARING

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April 28, 2009

Plaintiffs-Appellants ["U.S. Motors"] move for leave to amend or supplement their Petition For A Rehearing so that the Court will have an opportunity to consider, with the April 13-discovered Article [hereinafter "Article"] [1] and other additional material on the law included in this Motion -- the timing of which is explained on Page 12 {Pages 63A – 64A} of this Motion -- issuing a revised Opinion

- **confirming the validity of its first substantive paragraph in its December 31 Opinion** -- construing the word "**between**" in 28 U.S.C. 1332(a)(2) to mean "**involving**" [Pages 2 – 4] pursuant to its Congressionally intended scope [most authoritatively confirmed in Note 7 on the next page {Pages 45A – 46A}] and the identified major national interest [also confirmed by Federalist Letter #80, the American Law Institute and the Department of State (Note 7 on Pages 3 – 4 {45A – 46A})],

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[1] ***Why Alienage Jurisdiction? Historical Foundations And Modern Justifications For Federal Jurisdiction Over Disputes Involving Non-Citizens*, 21 Yale Journal Of International Law 1 (1996) – by far the most comprehensive, discovered review of federal alienage jurisdiction.**

- incorporating that first paragraph into the rest of a final opinion which leads the way from intent-ignoring [*not even taking into account or in any way considering intent*] constructions of § 1332(a)(2) which, in the opinion of both the Seventh and Tenth Circuit Courts of Appeals, are so "far from apparent from the face of 28 U.S.C. 1332(a)(2)," [2] and so very "puzzling" [3] that "[e]xactly what sense all this makes rather eludes us" [4] and

- omitting the implausible, unsupported statement that, in 1948, "Congress was well aware of the judicial interpretations of the statute requiring complete diversity," especially given the absence from the Record on this appeal of the legislative history and the entry of the decision of the District Court on the issue here, acknowledged by the District Court to be surprising, and the resulting lack of any opportunity to include that history in the Record of this case. [5]

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[2] *Gschwind v Cessna Aircraft Co.*, 243 F.3d 1342, 1345 (10th Cir. 2000) explicitly concurring with Judge Posner in *Allendale Mut. Ins. Co. v Bull Data Sys. Inc.*, 10 F.3d 425 (7th Cir. 1993).

[3] 10 F.3d 427.

[4] 10 F.3d 428.

The Opinion Of This Court Corrects The Linguistic Confusion Leading To The "Puzzling" [3] Decisions In The Absence of Any Consideration Of The Unmistakably Intended Purpose And Scope Of Federal Jurisdiction Over Major Citizen Civil Controversies With Non-Citizens [Amended In 1988 To Exclude Non-Citizens Lawfully Domiciled In The United States [6]]

The first substantive paragraph of the Opinion of this Court corrects and provides the Congressional intent-implementing resolution to that judicially characterized, "sense . . elud(ing) ... puzzl(e)" by logically construing the word "**between**" to mean "**involving**" just as it is construed as "**involving**" in the title, as well as the content, of the Article, thoroughly informed as the Article is, by all the considerations in Note 7 requiring such a construction rather than an unsupported, innately dubious supposition that this normal language word [as it was used in 1787 and the 1875 codification of the 1789 statue and decisions requiring only that one of the parties be a citizen[7]] was meant to mandate a

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[3] Pages 5 and 11.

[6] Pages 24 – 29 of the Article discuss **the 1988 amendment to all of §1332(a)**.

(footnotes continued from prior page)

[7] The language of the statute on which U.S. Motors relies has been materially unchanged for 232 years since the constitutional language of 1787 except for the1789 statutory wording omitting the need [corrected by the Supreme Court in 1800 - 1809 decisions (Article, Page 29, main text at ns. 153-155)] for at least one citizen party in the controversy [included in an **1875 codification using materially the 1787 constitutional language** [Article, Page 21 at ns. 100 – 101], **adding the word "AND" after "citizens of a State" – a natural language way to make clear the need for one, or more, United States citizens to be a party or parties**.

The Constitution: The judicial Power shall extend to all Cases, in Law and Equity, between a State, or the Citizens thereof, any foreign States, Citizens or Subjects. Const., art. III, sec. 2.

The Judiciary Act of 1789: (T)he circuit courts shall have original jurisdiction .. of ***all suits of a civil nature . . where .. an alien is .. a party*** " – **a maximally authoritative statement of the 1789 Congressionally intended scope subject to the only revisions [the 1988 and 1875 Acts] in any current reading of 28 U.S.C.1332(a)(2).** §11, 1 Stat. 73]

The Act of March 3, 1875: (T)he circuit courts . . . shall have original jurisdiction . . . of all suits of a civil nature . . . between citizens of a State and foreign states, citizens or subjects. ch. 137, § 1. 18 Stat. 470.

The Act of March 3, 1911: The district courts shall have original jurisdiction . . . (o)f all suits . . . of a civil nature. . . between citizens of a State and foreign States, citizens, or subjects." ch. 231, § 24, 36 Stat. 1091.

28 U.S.C. 1332(a)(2). "The district courts shall have original jurisdiction of all civil actions . . . between citizens of a State and citizens or subjects of a foreign state . . ..

formal arrangement of all of the parties in any proceedings.[8]

(footnote continued from prior page)

There is no legislative suggestion anywhere that the 1787 language or its 1875 material repetition [the language in 2007 - 09] was intended in 1787, 1789 or 1875 to require a formal arrangement of the parties in a case rather than -- given its broad purpose [quoted on Page 2 – 3 {20A – 23A} of the Petition and confirmed on Pages 7 – 16 and 31 of the Article] -- to cover any dispute "**between**" --- **in the sense of "involving" --- any citizen(s) and any alien(s) on any sides**.

[8] The first substantive law paragraph of the Opinion carefully and logically construes the word "**between**" **to mean** -- in a common, natural understanding of that word when used in describing any conflict [often complex and often multi-sided in actual life] -- "**involves**:

"The diversity statute, 28 U.S.C. § 1332, provides the district courts with original jurisdiction over 'all civil actions where the matter in controversy exceeds the sum of $75,000, exclusive of interest and costs,' and **involves** * '(1) citizens of different States; (2) citizens of a State and citizens or subjects of a foreign state; [or] (3) citizens of different States and in which citizens or subjects of a foreign state are additional parties . . .'" 28 U.S.C. § 133 2(a)." Opinion, Page 3 (bolding and underlining added).

* Carefully inserted by this Court at this point in its Opinion in an instructive construction of "between," or the maximally authoritative intent and purposes of federal alienage jurisdiction [Notes 7 - 9], but neither incorporated nor referenced in the rest of the Opinion.

[N]othing in the statute requires" [9] construing the ordinary, natural language word "**between**"

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[9] *Crawford v Metropolitan Government of Nashville and Davison Cty* , 555 U.S ___, 129 Sup Ct 846, 851, 172 L Ed 650, 657 (2009) Without equating the character of the fact situation in *Crawford* with the fact situation here, the illogic in *Crawford* of protecting an employee who initiates a complaint, but not one who testifies in support of it, resonates with the illogic of the result here given **the 1788 – 1789 Federalist and both United States Department of State- and American Law Institute-confirmed general purpose of federal alienage jurisdiction**:

Federalist Letter No. 80 [1788]:

> "[A]s the denial or perversion of justice by the sentences of courts, as well as in any other manner, is with reason classed among the just causes of war, it will follow that **the federal judiciary ought to have cognizance of all causes in which the citizens of other countries are concerned.**" (emphasis added)

American Law Institute *Study of The Division of Jurisdiction Between The State and Federal Courts*, Page 108 (1968):

(footnotes continue from previous page)

> "It is important, in the relations of this country with other nations, that any possible appearance of injustice or tenable ground for resentment be avoided . . . with **the best procedures . . . of the United States** . . .. *"

1982 letter in behalf of the United States Department of State to a Congressional Committee:

> "**[W]hile the Department has great confidence in the competence, integrity and impartiality of the state court systems, the availability of civil**

to have been meant to mandate, in a legalistic elaboration upon that very common word, a "v." in the formal caption of a case rather than "involving" - as the Opinion has so rightly construed it.

"[N]othing in the statute requires" [10] imposing, upon this 1789, 1875, ever increasingly important provision in our federal civil Judicial Code, such a "puzzling" [11] construction not appearing to make

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(footnotes continued from prior page)

> **jurisdiction in the federal courts under a single nationwide system of rules tends to provide a useful reassurance to foreign governments and their citizens."**

Article, Page 31, Note 166.

[10] Note 9, *infra*.

[11] 10 F.3d 427.

basic "sense," [12] so "far from apparent from the face of 28 U.S.C. 1332(a)(2)." [13]

An Essential Part of The Opinion Erroneously Assumes An Improbable Congressional Awareness

Jurisprudentially essential to the current Opinion –

> given the never answered characterization of decisions excluding a Citizen + Alien A v. Alien B suit from federal alienage jurisdiction by two Circuit Courts [Notes 2–4, *supra*]

is its assertion that Congress actually had those same interpretations in mind in 1948:

> "Indeed, 'Congress was well aware of the judicial interpretations of the diversity statute

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[12] 10 F.3d 428.

[13] 232 F.3d 1345.

> requiring complete diversity' when section 1332(a)(3) was added under the 1948 revision and codification of the Judicial Code, Title 28, and 'specifically used language that differs from the sections in which complete diversity had been applied.' *Id.* at 498 [*Dresser Indus. Inc., v Underwriters at Lloyd's of London*, 106 F.3d 495 (3rd Cir. 1997))]."

Opinion, Page 5, Note 5.

Even apart from the widely, judicially understood, implausibility of that assertion absent supporting legislative history, neither the Opinion of this Court nor the quoted Opinion of the Third Circuit Court cites even one decision construing the alienage provision prior to 1948.[14]

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[14] A student Note, the most comprehensive, previously discovered review of this issue, purports to list the pre-1948

A 1985 student Note [prior to the 1996 Article, the most thorough, discovered review of this issue], after noting Professor Moore's observation that

> "<u>where a citizen of a state is joined with an alien in opposition to another alien</u>, the conditions which are said to justify diversity [federal] jurisdiction appear to be even more clearly present, and here, as elsewhere, minimal, rather than complete,

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cases -- five of them, scattered over 51 years, beginning in 1878 and ending in 1929 – one appellate decision, three trial court decisions and a Supreme Court case [generally un-cited on this issue for the same reasons *Newman-Green* is not a ruling on this issue (Note 15)], *Merchants' Cotton Press and Storage Company v Insurance Company of North America*; 151 U.S. 368, 385 – 386 (1894); *Ex Parte Edelstein*, 30 F.2d 636, 638 (2d Cir.1929); *Compania Minera S.A. v American Metal Co.*, 262 F.183, 186-187(W.D. Tex.1920); *Mc Henry v . New York , P & O. R.R.*, 25 F. 65, 66 – 68 (W.D. Pa. 1885); *Sawyer v Switzerland Mar. Ins. Co.*, 21 Fed. Cas. 589 (S.D. N.Y. 1878). Note, *Federal Jurisdiction Between Diverse United States Citizens With Aliens Joined To Both Sides of The Controversy*, 38 Rutgers L. Rev. 71, 81, Note 49 (1985).

> diversity should permit the exercise of federal court jurisdiction, [15]

correctly summarizes, after noting the 1894 Supreme Court decision in *Merchants Cotton Press and Storage Company* [in the continuation of Note 14 on this page], that

> "the Supreme Court has never ruled on the application of the complete diversity requirement to alienage jurisdiction." [16]

The 1996 Article --

> including its citation of a 1989 Supreme Court decision, *Newman – Green, Inc. v. Alfonzo-Larrain*, 490 U.S. 826, 837, 109

-- reinforces the conclusion that the Supreme Court has never ruled upon whether §1332(a)(2) should be

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[15] 38 Rutgers L. Rev. 74 (emphasis added).

[16] 38 Rutgers L. Rev. 81.

construed as the first substantive paragraph of the Opinion of this Court would construe it or as it is construed by those decisions rightly declaimed by two Circuit Courts as nonsensical:

> "Since . . . the famous 1809 decision of *Hodgson v Bowerbank*, . . . the Court on many occasions has reaffirmed the rule that alienage jurisdiction cannot be exercised over a dispute unless a U.S. citizen or state is a party to the action (but) has decided few other alienage cases and has not offered any major statements about the purposes of alienage jurisdiction. * * * Generally speaking, the Court has imported the rules applicable to diversity cases to alienage cases, a practice consistent with the longstanding failure to differentiate between the two forms of jurisdiction.

"For example, . . . the Court has interpreted the diversity statute as requiring a variation of the rule of complete diversity in alienage cases [citing only *Newman-Green* and a 1929 case unrelated to §1332(a)(2)]. [17]

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[17] Article, Page 30. In *Newman-Green*, the Supreme Court

1) accepted, in *dicta*, the apparently un-argued and, therefore, never ruled upon reading of §1332(a)(2) by Judge Posner and the Seventh Circuit, like Judge Posner's and the Seventh Circuit's "exactly what sense this all makes rather eludes us" [with subsequent concurrence by the Tenth Circuit] reading of §1332(a)(2) and the decisions [relied upon by the current Opinion of this Court] four years later in *Allendale* [main text at Notes 3 - 4] with

2) both the Supreme Court and the Seventh Circuit obviating that uncontested construction of §1332(a)(2), by deciding to preserve federal jurisdiction in a case where one of the parties was neither a citizen nor an alien under §1332(a)(2) or

No discovered decision of any court construes the §1332(a)(2) language in the light of the uncontested, maximally authoritative, 1787/1789–stated intended purpose and scope of the provision

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§1332(a)(3) but, instead, a "stateless" person (a U.S. citizen not domiciled in any State but, in a foreign country] by, alternatively,

1) as Judge Posner and the Seventh Circuit would have resolved it, by remanding the case to the District Court to consider whether it would be prudent to drop the "stateless" person from the litigation or

2) as the Supreme Court finally resolved it, by dismissing the "stateless" person, without a remand,

with a dissent by Justice Scalia making clear, along with the substance of the majority opinion, that the capacity of an appellate court to cure a conceded, in that case, technical jurisdictional defect, without a remand, was the only issue ever raised, argued and, therefore, ruled upon by the Supreme Court in that case. 490 U.S. 837.

being construed which has been modified only once [in 1875, to require a citizen party].

Affidavits in the Record on this Appeal exemplify the needs for federal jurisdiction [18] which

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1. Affidavit of Marek Czivis, Czech counsel to U.S. Motors on an issue of Czech law which underlies the filings in these proceedings on July 10 and 11, 2007. JA 215 – 217.

2. Affidavits of Hans Halbach, 1993 – 1996 Vice-President of General Motors Overseas Distribution Corporation [a subsidiary of General Motors Corporation] For Global Marketing With Special Responsibility For Europe attesting to all of the basic contractual understandings with GM Europe underlying this action. JA218- 237 and JA 328 – 353.

3. Affidavit of Karel Valenta, selected by Anderson Consulting [one of the world's most respected management consulting firms], in 1991, to establish the operations of Anderson Consulting in what was then the Republic of Czechoslovakia, who, in 2007, undertook, along with Ing. Petr Kratochvil, to replace

(footnotes continued from the prior page)

the 1994 – 1997 Czech leadership of the U.S. Motors Czech operating company [U.S. Motors, a.s., a Czech joint stock company, wholly owned by Praha Motors, L.L.C., a Delaware limited liability company], but whose uncontested January 2008 election, along with the uncontested January 2008 election of other new members of the governing board of the Czech company, was not recognized so they could act under Czech law until June 1999, due to antiquated Czech law finally requiring an appeal to a Czech appellate court, described, based on U.S. Motors' 1998 – 1999 delay, in an article in a Czech legal journal, *Pravnik* [Lawyer] 2000, entitled *The Commercial Register In The Light Of An (Un)typical Case* [JA 254 – 273]. JA 239 – 273.

4. Affidavit of Ing. Petr Kratochvil, the Founder and former President of the Czech Union of Motor Vehicle Importers, whose election in January 1998 to be the new Chairman of the Czech company could not be recorded in the Register of the Commercial Court in Prague, so that he could act, under Czech law, in behalf of the U.S. Motors Czech operating company, until June 1999

are included in the national interest advantages of federal alien jurisdiction identified by the Article [19]

(footnotes continued from the prior page)

5. Affidavit of Joseph Levin, entrusted with all contracting and legal matters of U.S. Motors, [JA-2], including an exceptionally detailed business plan projection [JA 288 – 327], based on basic numbers found reasonable by Coopers & Lybrand [JA 90, 288], the independent auditor of the Czech bank which provided the financing for U.S. Motors [JA 9–10], and upon subsequent officially reported Czech motor vehicle sales market data [JA 288].

[19] Quoting and applying categories of the constitutionally recognized advantages of federal jurisdiction in constitutional law litigation -- described in *The Myth of Parity*, 90 Harv. L. Rev. 1105 (1977) -- to international civil cases including citizens and non-citizens, the Article emphasizes the following -- understood in 1787–1789 just as it is by the American Law Institute, the State Department [Note 9] and people familiar with our federal and state judicial systems even though there are many superb state court judges, law clerks and administrators and administrative clerical personnel:.

for that maximally authoritative 1789/1875 Congressional- and American Law Institute/State Department-expressed purpose and need in substantial international civil litigation.

"Technical Competence: *** A small elite core of federal judges aided by first rate law clerks are preferable in deciding difficult cases. * * * "Such competence on the part of the federal courts would be expected to inspire the confidence of foreign governments and noncitizens generally, which the Framers of the Constitution thought necessary for diplomatic and commercial purposes. Federal courts generally are more selective when it comes to cases and judges, have smaller case loads than state court judges, and have more resources at their disposal. The federal courts decide a number of cases with foreign policy ramifications and are aware of the significant, often complex issues raised by such cases. Armed with experience, federal courts should be expected to weigh the appropriate interests in the typical alienage case and take steps to minimize foreign relations consequences. Indeed, this preference for allowing the federal government to deal with matters implicating foreign relations was one of the reasons for the Constitutional Convention. The *perception* of foreign governments and noncitizens that federal courts are more competent than state courts is crucial to the decisions of foreign businesses and governments on issues such as where to invest capital." Article, Page 50 [emphasis in the original].

The Amended Complaint relates seven years of extensive and intensive investment of funds and far more than full-time professional services to distribute and/or market North American source vehicles of General Motors Corporation, under GM entity-approved and contracted plans, in the newly opened markets of the Czech Republic and Slovakia with equity capital from Czech, Slovak, Dutch and U.S. citizens and debt capital from a Czech bank – all obstructed by the contracting, wholly-owned Swiss subsidiary of General Motors Corporation. Amended Complaint, §§ 7 – 49, JA 6 – 27; Affidavit of Hans Halbach, JA 329 -352.

This unusual issue, acknowledged by the District Court to be surprising, [20] was raised and decided by the District Court without any notice or any opportunity to respond including any opportunity to introduce the legislative history of the Judiciary and Judicial Code of 1948.[21]

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[20] "At first glance. then, the parties appear to have diverse citizenship – *i.e.*, no Plaintiff shares the same state or foreign citizenship as the Swiss Defendant. *U.S. Motors v General Motors Europe,* 519 F. Supp.2d 671, 672 (2007).

[21] 38 Rutgers L. Rev. 71, 87 – 88, ns. 71 - 76

Wherefore, U.S. Motors respectfully requests leave to file a Supplement to its Petition For A Rehearing or an Amended Petition For A Rehearing, based on the already attested facts [Note 19] and the law in this Motion, so that, if this honorable Court then grants the Petition, further proceedings ordered by this Court will enable this honorable Court to consider this nationally important issue of federal jurisdiction in the light of all of the available facts and law.

Most respectfully,

Joseph Levin
Attorney For Plaintiffs-Appellants
2806 Cambridge Road
Detroit, Michigan 48226
313:892-8581

April 28, 2009

From the entry of the Opinion on December 31 to April 13, all of U.S. Motors counsel's workable time, seven days week, typically 14 hours a day, other than his time on the January 28 Petition and February 24 Motion, was devoted to work to provide otherwise unavailable improvements to the Courthouse of the Michigan District Court for the City of Detroit to comply with a federal Judgment On The Conditions of Confinement and facilitate implementation of the policies required by a federal Judgment On The Use of Force, Arrests and Witness Detention for ending or reducing otherwise ongoing violations of constitutional rights.

Since April 13, U.S. Motors has spent all of his workable time, on the same seven days a week, typically 14 hours a day basis, on this Motion, with a Schedule, approved by experienced persons in every relevant discipline, to be consistent [with his return to such continued work on the Courthouse on this date], with final approval and a closing of a financing in July 2009, with the completion of the improvements just one month before July 2010,

providing for one-year of Judgment-compliant operation by the July 2011 date for such compliance in the first Judgment.

There is no other source for any of the U.S. Motors or Courthouse work. U.S. Motors was bankrupted by the events described in §§ 7 – 31 of the Amended Complaint [JA. 7 – 31]. The Courthouse has been developed by U.S. Motors' counsel in a public service mode in which he has received and will receive a 1984-contracted $25,000 annual management fee, adjusted annually for inflation, and far below standard compensation for his other services, payable only on the closing of any financing, resulting principally from such services, approximating $35 an hour

UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

U.S. MOTORS, ET AL.,

Plaintiffs-Appellants,

v.

GENERAL MOTORS EUROPE, A SWISSCORPORATION,

Defendant-Appellee,

ORDER

BEFORE: DAUGHTREY AND GILMAN, Circuit Judges; and RESTANI*, Judge.

The court having received a petition for rehearing en banc, and the petition having been circulated not only to the original panel members but also to all other active ** judges of this court, and no

judge of this court having requested a vote on the suggestion for rehearing en banc, the petition for rehearing has been referred to the original panel.

The panel has further reviewed the petition for rehearing and concludes that the issues raised in the petition were fully considered upon the original submission and decision of the case. Accordingly, the petition is denied.

ENTERED BY ORDER OF THE COURT

Leonard Green
Clerk

UNITED STATES DISTRICT COURT
EASTERN DISTRIC OF MICHIGAN
SOUTHERN DIVISION

U.S. MOTORS, PRAHA MOTORS, L.L.C., BRATISLAVA MOTORS, L.L.C., U.S. MOTORS (SK), and JOSEPH LEVIN,

Plaintiffs,

vs. No. 07-12901
Hon. Gerald E. Rosen

GENERAL MOTORS EUROPE,

Defendant.

_____/

OPINION AND ORDER OF DISMISSAL

At a session of said Court, held in
The U.S. Courthouse, Detroit, Michigan
On October 24, 2007

PRESENT: Honorable Gerald E. Rosen
United States District Judge

Plaintiffs commenced this case in this Court on July 11, 2007, citing diversity of citizenship as the

basis for the Court's subject matter jurisdiction. On August 13, 2007, the Court directed Plaintiffs to show cause why this action should not be dismissed for lack of subject matter jurisdiction, where their complaint did not provide sufficient information from which the Court could ascertain the citizenship of the Plaintiff unincorporated association (U.S. Motors) and limited liability companies (Praha Motors and Bratislava Motors). Although Plaintiffs have provided this information regarding their citizenship in an August 23, 2007 response to the Court's order, this response has revealed – and the underlying complaint confirms – a more fundamental obstacle to the court's exercise of diversity jurisdiction. Accordingly, for the reasons stated briefly below, the Court finds that this case must be dismissed for lack of subject matter jurisdiction.

According to their complaint and their response to the show cause order, Plaintiffs collectively are citizens of three states – Florida, Iowa, and Michigan – and three foreign countries – the Czech Republic, Slovakia, and the Netherlands.[1] The sole Defendant, according to Plaintiffs' complaint, is a Swiss corporation. At first glance, then, the parties appear to have diverse citizenship – i.e., no Plaintiff shares the same state or foreign citizenship as the Swiss Defendant. This, however, does not suffice to confer diversity jurisdiction, as confirmed both by the language of the governing

[1] As explained in the Court's August 13, 2007 order, the citizenship of an unincorporated association or a limited liability company is determined by the citizenship of its constituent members. In their response to the August 13 order, Plaintiffs state that the constituent members of the unincorporated association and limited liability companies in this case are citizens of the states of Florida, Iowa, and Michigan, and the foreign nations of Slovakia, the Czech Republic, and the Netherlands. In addition, the complaint names a Michigan resident and a Slovak company as Plaintiffs.

statute, 28 U.S.C. § 1332, and by the pertinent case law.

The Court's analysis necessarily begins with the language of the diversity statute, which provides in pertinent part:

> The district courts shall have original jurisdiction of all civil actions where the matter in controversy exceeds the sum or value of $75,000, exclusive of interest and costs, and is between –
>
> (1) citizens of different States;
>
> (2) citizens of a State and citizens or subjects of a foreign state; [or]
>
> (3) citizens of different States and in which citizens or subjects of a foreign state are additional parties...

28 U.S.C. § 1332(a). Subparagraphs (1) and (3) of this provision plainly do not apply here because this suit is not between "citizens of different States," with or without citizens of foreign countries as additional plaintiffs or defendants. Rather, the sole Defendant

is an overseas company, and not a citizen of any U.S. state.

This leaves only subparagraph (2) upon which to rest this Court's subject matter jurisdiction – i.e., this case must be properly viewed as between "citizens of a State and citizens or subjects of a foreign state." Yet, it is not. Instead, this suit is between a **mix** of domestic and foreign plaintiffs and a foreign defendant. To fit this case within subparagraph (2), then, one would have to construe the statutory language as encompassing suits between citizens of one or more States, **with or without citizens of foreign states as additional parties**, and citizens or subjects of a foreign state.

The presence of subparagraph (3) in the statute, however, makes this reading of subparagraph (2) implausible. Subparagraph (3), after all, essentially provides that the jurisdiction

conferred under subparagraph (1) – *i.e.*, jurisdiction over suits between "citizens of different States" – is not defeated by the presence of foreign citizens as additional parties. The statute's explicit clarification of this point as to one particular class of cases – namely, suits between citizens of different States – presumably means that jurisdiction **is** defeated in **other** classes of cases by the addition of foreign parties. In particular, subject matter jurisdiction does not exist over cases that otherwise fit within subparagraph (2) – suits between "citizens of a State and citizens or subjects of a foreign state" – but where one or more foreign citizens are names as co-plaintiffs or co-defendants along with the "citizens of a State." This is precisely the situation here – citizens of the States of Florida, Iowa, and Michigan are joined by citizens of the Czech Republic,

Slovakia, and the Netherlands in claims against a Swiss corporation.

So far as this court's research has revealed, the case law uniformly holds that subject matter jurisdiction is lacking under these circumstances. As Judge Posner observed, albeit in dicta, § 1332(a)(2), "when read in light of (a)(3), does not permit a suit between foreigners and a mixture of citizens and foreigners." Allendale Mutual Insurance Col. V. Bull Data Systems, Inc., 10 F.3d 425, 428, (7th Cir. 1993); see also Dresser Industries, Inc., v. Underwriters at Lloyd's of London, 106 F.3d 494, 499 (3d Cir. 1997) (opining that "section 1332(a)(2) only grants jurisdiction in cases between aliens and citizens," so that "[clashes between aliens on one side and aliens and citizens on the other...do not fit the jurisdictional pigeonhole"). The Ninth Circuit reached the same conclusion through a different

analytical route, citing the general principle that "[diversity jurisdiction does not encompass foreign plaintiffs suing foreign defendants," and reasoning that this result is unchanged by the addition of U.S. citizens on one side but not the other. Faysound Ltd. V. United Coconut Chemicals, Inc., 878 F.2d 290, 294 (9th Cir. 1989); see also Extra Equipamentos e Exportacao Ltda. V. Case Corp. 361 F.3d 359, 361 (7th Cir. 2004). Along similar lines, the courts have pointed to the venerable rule of complete diversity, holding that suits between foreign plaintiffs and defendants (even from different countries) do not satisfy this requirement, and then concluding that the joinder of a domestic plaintiff or defendant cannot create diversity where it otherwise is lacking. See, e.g., Nike, Inc. v. Comercial Iberica de Exclusivas Deportivas, S.A., 20 F.3d 987, 991 (9th Cir. 1994); Eze v. Yellow Cab Co.., 782 F.2d 1064,

1065 (D.C. Cir. 1986); Corporacion Venezolana de Fomento v. Vintero Sales Corp., 506 F.2d 757, 758 (5th Cir. 1975); Expeditors International of Washington, Inc., v. Expeditors (Japan), Ltd., 224 F.R.D. 661, 664 (W.D. Wash. 2004).

The Court sees no basis in this case to deviate from this uniform weight of authority. This suit does not fit within § 1332(a)(2) as brought between "citizens of a State and citizens or subjects of a foreign state." Nor do the complaint's allegations suggest any other ground upon which to rest the Court's subject matter jurisdiction. It follows that the case must be dismissed.[2]

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[2] Because the Court lacks subject matter jurisdiction, it does not (and presumably cannot) address Defendant's motion to dismiss, in which Defendant argues that this suit is subject to dismissal under the so-called "two dismissal" rule set forth in Fed. R. Civ. P. 41(a).

For these reasons,

NOW, THEREFORE, IT IS HEREBY ORDERED that his case is DISMISSED for lack of subject matter jurisdiction.

s/Gerald E. Rosen
Gerald E. Rosen
United States District Judge

Dated: October 24, 2007

I hereby certify that a copy of the foregoing document was served upon counsel of record on October 24, 2007, by electronic and/or ordinary mail.

s/LaShawn R. Saulsberry
Case Manager

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

U.S. Motors, an unincorporated association, Praha Motors, L.L.C., and Bratislava Motors, L.L.C.., Delaware limited liability companies, and U.S. Motors (SK), a Slovak limited liability company, and Joseph Levin,

Plaintiffs,

vs.

Civil Action 2:07-cv-12901
Judge Arthur J. Tarnow

General Motors Europe, a Swiss corporation,

Defendant.

AMENDED COMPLAINT

Plaintiffs assert the following in this action in which the parties are citizens of the states and nation stated in Sections 1 – 5 and the amount in controversy exceeds the sum specified in 28 U.S.C. 1332.

1. Plaintiff U.S. Motors is an unincorporated association comprised of Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, and U.S. Motors, a.s. (SK), a Slovak joint stock company, wholly owned by Bratislava Motors, L.L.C., required by their Operating Agreements" to be operated as a single, integrated business . . . collectively called 'U.S. Motors'."

2. Plaintiff U.S. Motors, since its inception in 1994 through today, has maintained its principal and permanent office in Michigan.

3. Plaintiff Joseph Levin, the Special Counsel to U.S. Motors under its Operating Agreements, entrusted with all contracting and other legal matters, has been, at all times, a resident of Michigan.

4. Defendant General Motors Europe [GME] is a Swiss corporation, a second tier subsidiary of General Motors Corporation.

5. This is an action seeking recovery of funds invested by U.S. Motors in Distributorships and planned Dealerships of vehicles manufactured by General Motors Corporation, wholly or partly in North America, in the Czech Republic and Slovakia and a joint endeavor by U.S. Motors and GME to make them successful.

6. Since 1945, GM has distributed its North American-manufactured vehicles, beyond North America, through General Motors Overseas Distribution Corporation [GMODC] wholly owned by and head-quartered with GM in Detroit, Michigan.

7. In Spring 1994, the President of GMODC ["GMODC President"], and the GMODC Vice-President For Global Business Development With Special Responsibility For Europe ["GMODC Vice-President"] signed a conclusive agreement [subject to conditions subsequently fulfilled] for U.S. Motors to be the Czech and Slovak Distributors of GM North American vehicles after the President and GMODC Vice-President decided that U.S. Motors would be a more effective distributor of the GM North American vehicles in Europe than GME.

8. In Fall 1994, GME persuaded GM, without regard to that GMODC decision or U.S. Motors, to transfer to GME the responsibilities of GMODC in Europe.

9. In Fall 1994, only one condition to the GMODC agreement remained to be fulfilled – a finalization of U.S. Motors' 1993 preliminarily contracted, comprehensive financing agreement with a major Czech bank.

10. In Fall 1994 – March 1995, representatives of Opel C&S, s,r.o., ["Opel"] [a Czech limited liability company wholly owned by GME and the Czech importer/distributor of GM vehicles in the Czech Republic and Slovakia], interfered with U.S. Motors finalization of its 1993 comprehensive financing agreement [revised and signed by the Czech bank and U.S Motors in February 1995] by

a) telling the branch of the Czech bank, reviewing the financing, that the GM American cars were old, outdated and couldn't be sold and

b) offering to transfer Opel's accounts to the Czech bank if the Czech bank did not finalize the financing of U.S. Motors, and

the senior Opel officer advised the Chairman of the Czech bank, in a March 1995 meeting, not to finalize its July 1993 and February 1995-contracted financing of U.S. Motors.

11. An April 1995 favorable report by Coopers & Lybrand [the independent auditors of the Czech bank] on a Czech-bank contracted, March 1995 Coopers & Lybrand study of the feasibility of U.S Motors and its business plans led to a signing of U.S. Motors' comprehensive financing agreement by the Czech Bank and U.S. Motors in May 1995.

12. The GME Executive Vice-President For Marketing, Sales and After-Sales ["GME Executive"] concurred with the GMODC Vice-President in March 1995, that GME and GMODC should meet with U.S. Motors to review, discuss and consider, in such meetings, U.S. Motors' financial and other business plans and whether it made economic sense for U.S. Motors to go into business and, if so, on what bases.

13. That GME Executive/GME position generated May – June 1995 GMODC – U.S. Motors, comprehensive preparatory meetings at GMODC offices in Detroit and GMODC European headquarters in Germany, a July 1995, day-long, comprehensive, GMODC – GME – Opel · U.S. Motors meeting in Prague and a September 1995, GMODC – GME – Opel – U.S. Motors meeting at GME headquarters in Zurich concluded by the GME Executive stating

"there should be an agreement here within ten days"

and, a few hours later, an oral report by GME representatives to U.S. Motors that GME had decided that 1) U.S. Motors will be the Czech and Slovak GM North American Distributors through 1996 and 2) the GM North American Dealers after 1996 with 3) Opel the Distributors after 1996 and 4) the U.S. Motors percentage margin [a percentage computed in all of the materials on a pre-Value Added Tax Retail Price set at 94% of a GME-identified targeted competitor, or an average competitive, price] will be 14%.

14. An October 1995, all-day GMODC – GME – Opel – U.S. Motors meeting in Prague on a GMODC-approved, U.S. Motors draft of a comprehensive agreement ended with two outstanding issues on which, U.S. Motors letters, three days later, offered to resolve those issues on bases which led to the GME Executive stating, after reviewing the U.S. Motors offers on those issues in a conference call, three days later, with the GMODC President, the GMODC Vice-President and GME Sales Director,

"there are no remaining issues here."

and the GMODC Vice-President soon advising Levin to use 15% for its percentage margin on the pre-VAT Retail price of the GM American vehicles set at 94% of a GME-identified targeted competitor price or, if none, an average competitive price.

15. An October 31, 1995, meeting at GMODC headquarters in Germany, planned by the GMODC Vice-President [in Detroit on October 31], to finalize the language of a comprehensive agreement, in accordance with the prior draft and GME comments, was prefaced by a European based, GMODC subordinate official ["GMODC European official"] opposed to the GMODC – U.S. Motors plans, stating, instead, that "we must start from scratch," and GME counsel, based in London, offering only a preliminary letter of intent for a dealership in Prague with provisions inconsistent with the prior GME meetings and any closing of the Czech bank financing.

16. November 1995 work by U.S. Motors with the GMODC Vice-President in Detroit, followed by a U.S. Motors meeting with the GME Executive in Zurich, a U.S. Motors meeting with the General

Counsel to GM, and associate counsel in the office of the General Counsel ["Associate Counsel"], in Detroit and a December 4, 1995 GME – GMODC - Opel meeting in Orlando, Florida led to a December 5 GME – GMODC – U.S. Motors meeting in Orlando, Florida, led by the Associate Counsel and attended by the GME counsel at the October 31 meeting:

A. Levin agreed to the Associate Counsel's draft of the GMODC – Opel – U.S. Motors Agreement, signed a few days later by all parties, providing that U.S. Motors will be the GMODC Czech and Slovak Distributors during 1996 and, after 1996, Opel will conclude Opel Standard 1997 Dealer Agreements with USM on each Dealership Location approved by GMODC and Opel during 1996.

B. The GME Director of Retail Dealer Network Development, the senior GME official at all of the GME meetings reference in Sections 12 – 14 of the Complaint asked Levin, as arranged by the Associate Counsel with Levin on the prior day, to review once again the detailed financial forecasts, reviewed and revised by suggestions of the GME Director of Retail Dealer Network Development in July – November, and, after Levin opened his computer and displayed all of the basic numbers, as so revised, and every basic aspect of the resulting alterative outcomes, the GME Director of Retail Dealer Network Development visually expressed his satisfaction, and said only these words:

"The margin will be 15%."

17. That 15% dealer margin [explained in Section 13] on sales of GM North America vehicles, in contrast to the GME 8% dealer margin for Opels, is economically key to any successful marketing of GM North American vehicles in a country like the Czech Republic where a Chevrolet is 1) a relatively upscale vehicle open only to a very small percentage of the population and 2) upscale facilities and service is essential to success.

18. Exemplifying that Cadillac/Chevrolet – Opel basic difference, U.S. Motors, in January 1996, contracted to replace its GMODC, 1994-approved GM American sales site [lost through the delay] with a showroom, designed by a GMODC-retained architect, in the only commercial space in the most celebrated new building in Prague, the Frank Ghery-designed, *Tancici dum* [Dancing Building], named by TIME Magazine in December 1996 to be "the best building design completed in the world" during 1996.

19. Also in January 1996, Opel rejected the GMODC 1994-approved and U.S. Motors 1994-contracted site for a major sales and service center for the sale of Opel vehicles, pursuant to the December 1995 Agreement, and told U.S. Motors stated that it would approve such a center only if it was constructed on either land 1) owned by the owner of an Opel - sponsored soccer club or 2) in a strikingly unattractive part of Prague.

20. After no progress on that issue by March 1996, the GMODC Vice-President advised the GME Executive that "I detect business practices growing out of a Communist culture." The GME Executive asked the GMODC Vice-President to go to Prague and "call me, day or night."

21. In April 1996, after the GMODC Vice-President came to Prague with another Detroit-based GMODC officer, experienced in Europe, took pictures of the sites and so reported to the GME Executive, Opel orally agreed to approve an Opel sales and Opel – GM North American service center to be renovated from one of the three. Communist era, massive automotive sales and service centers in Prague.

22. In May 1996, U.S. Motors concluded an Agreement to acquire the owner [NAP, a.s.] of that center and secured from Opel a letter of intent to approve an Opel sales and Opel and GM American service center in that center renovated in accordance with plans drawn by an architect retained, again, by GMODC and approved by Opel during the Summer of 1996.

23. A June – September 1996, Czech bank review of the December 1995 Agreement [Section 16(a)], the U.S. Motors financial forecasts and other business plans and the 1996 replacements [the Dancing Building and the NAP facility] for its 1994 GMODC-approved facilities ended with final Czech Bank Board of Directors approval in October 1996 and a closing of the comprehensive Czech bank financing of U.S. Motors on Thursday, October 31, 1996.

24. On the next day, November 1, 1996, a newly appointed, GME Director for North American vehicles ["GME North American Director"] and his aide, the GMODC European official, arrived in Prague and told Levin:

- The GM North American vehicle dealer margin, promised by the GME Director of Retail Dealer Network Development in December 1995 to be 15%, would be, instead, the Opel margin of 8 % - 10%.

- Only four GM North American models would be made available to U.S. Motors, not the 12 models approved by the GME Director of Retail Dealer Network Development in a GME – GMODC – Opel - U.S. Motors October 1995 meeting on that subject.

- U.S. Motors should abandon its lease and plans for a GM North American showroom in Prague's most celebrated new building [Section 18] and, instead, simply sell its GM North American vehicles in just a small showroom off a much larger Opel showroom in the NAP sales and service center.

25. Earlier on November 1, the GME North American Director and European GMODC official oversaw a meeting including the following:

- The Opel senior operating officer, told both the Chairman and the chief operating officer of U.S. Motors (CZ), a.s., the 1994 – 1998 Czech operating subsidiary of Praha Motors, that U.S. Motors should not authorize the Czech bank to disburse the 45 million Czech Crowns [$1.6 million] payment towards the total purchase price of the ownership of NAP required by November 4 to avoid a default under the U.S. Motors – NAP Agreement and a loss of the NAP center because Opel would not extend its May letter of intent which had expired in September.

- The senior GME Czech official, stated that he would not tell the Opel senior operating officer to give U.S. Motors (CZ) a current letter of intent but also told the U.S. Motors (CZ) Chairman that if U.S, Motors authorized the disbursement of the $1.6 million and renovated the NAP facility to Opel's satisfaction, the U.S. Motors (CZ) Chairman could come and see the senior GME Czech official.

26. The U.S. Motors (CZ) chief operating officer came to Levin and, in essence, stated that the U.S. Motors (CZ) Chairman was deeply disturbed about the situation described in Sections 24 - 25. Levin telephoned his personal legal counsel who had initiated the November 1995 meeting with the GM General Counsel and Associate Counsel leading to the Agreement. Upon hearing Levin describe the

GME and Opel positions related in Sections 24 - 25, Levin's counsel advised him to authorize the disbursement of the $1.6 million and just to send a letter, describing those facts, to Levin's counsel who would forward it to the GM General Counsel with a note asking the GM General Counsel to look into the matter, given a fundamental trust which Levin continues to believes to be well supported to this date.

27. Accordingly, on Monday, November 1, the Czech bank, with authorization from U.S. Motors, disbursed 45 million Czech Crowns or approximately $1.6 million entitling U.S. Motors to occupy, renovate and, with future payments, own the planned Opel sales and GM North American and Opel service center.

28. The December 20 response from the Associate Counsel to Levin's counsel's suggested letter to the GM General was not positive, and it prompted Levin's counsel, who represented GM on other matters [unrelated to this matter], to withdraw, in January 1997, as Levin's counsel.

29. Levin promptly retained substituted independent counsel, recently counsel to GM on other matters, who obtained the approval of GM's General Counsel to represent U.S. Motors.

30. While the Associate Counsel and the substituted independent counsel communicated cooperatively, in February – April 1997, to seek any possible positive resolution, the Czech bank called a default on account of U.S. Motors' internal paralysis generated by GME's positions in Section 24 and its failure to deliver an up-dated projection of a viable business given GME's positions in Section 24.

31. In May – July 1997, the Czech bank foreclosed on U.S. Motors' interest in NAP and the NAP facility [renovated by March 1997 into a modern, attractive automotive sales and service facility with funds drawn by U.S. Motors from U.S. Motors' Czech bank financing] and called $2 million in Bank of New York Letters of Credit which had been provided in 1996 by two investors in U.S. Motors in fulfillment of a basic condition, in the Czech bank financing agreement, to the October 1996 closing of the financing.

32. In the wake of the events in Section 31, the senior GME Czech official told the Chairman of U.S. Motors (CZ) in Summer 1997:

"We feel obligated to U.S. Motors."

33. July – September 1997 work by other participants in U.S. Motors to develop a plan for going forward with U.S. Motors prompted them, in October – December 1997, to enable Levin to proceed to elect new Czech leadership for U.S. Motors (CZ) and to work on modifications of the approved 1993 – 1996 business plans with new facilities [replacing the facilities lost through the GME actions in Section 24], beginning in January 1998 with the election to the governing board of U.S. Motors (CZ) of

a) a new Chairman of U.S. Motors (CZ) [replacing the respected, 1995-elected Chairman, the Minister of Industry of Czechoslovakia in the first three years after the Velvet Revolution in 1989], the senior executive in the launching and continuation of the distribution, sales and service of Nissan sales and service in

Czechoslovakia after the Revolution and, after 1992, the Czech Republic and Slovakia and, for that reason, particularly respected by the senior GME Czech official in his role in U.S. Motors ["the new Chairman"] and

b) the Czech manager of the operating staff of the U.S. Embassy in Prague for many years before the Revolution and the primary Czech Consultant to Anderson Consulting in Prague, after the Revolution, who strongly recommended the election of the new Czech Chairman.

34. A Czech mandatory procedure for registering changes in corporate leadership, including validation of the change by the Commercial Court in Prague even where, as here, the change was uncontested, was not completed until June 1999 in a process requiring an appeal to the intermediate appellate High Court in Prague and a remand to the Commercial Court, despite U.S. Motors' use of the advice of 1) the Director of the Institute of State and Law of the Academy of Sciences of the Czech Republic and the Dean of the School of Law of the University of West Bohemia in Plzen, 2) the writer of a compendium of Czech law, 3) a major Czech law firm and 4) the Czech and Slovak offices of Squire, Sanders & Dempsey, the law firm with the largest offices in Prague and Bratislava.

35. The senior GME Czech official welcomed the election of the new leadership, particularly the new Chairman, whom the senior GME Czech official advised, during that 18-month period, on how to get U.S. Motors into its planned business, under the December 1995 Agreement [Section 16(A)] with a new Czech entity replacing U.S. Motors (CZ) -- GME advice underlying all of the 1998 – 2000 development work embodied in the financial and other plans submitted by U.S. Motors to GME in June 2000 and June 2001. The GME senior Czech official stated that GME, as the importer acting through Opel, would welcome and support a U.S. Motors with such management and financial plans [including the dealer margin and vehicles, subject to their being exported to Europe, or their replacements exported to Europe] and work with such a U.S. Motors, just as the GME senior Czech official was working with the

new Chairman, in effectively a GME – U.S. Motors joint venture, to make such a GM North American sales and service and Opel sales, U.S. Motors Dealership, in such facilities, happen.

36. Throughout that 18-month process of often intensive U.S. Motors work and the rest of 1999, U.S. Motors, with its experienced Czech and Slovak leadership, explored every apparent optimal location and developed plans for optimal sales and service facilities for GM North American and Opel sales and service in both nations including, in Prague, with architectural plans and all of the costs,

a) the renovation of an available existing building, acknowledged by a new GME Vice-President for the region including the Czech Republic ["GME Regional Vice-President"] in a telephone discussion with Levin in July 2000, to be the best location and, as the facility there could be renovated, sales and service facility in Prague, and

b) the available, modern, vehicle showcasing showroom on one of the most traveled, by foot and vehicle, streets in Prague right off the world-famous Wenceslas Square.

37. Throughout Fall 1999 – March 2000, all of the U.S. Motors financial forecasts and the rest of the U.S. Motors business plans were

a) checked and revised, in intensive, seven days a week work [like virtually all of that type of work from January 1993 (except for two three-month periods) through July 2001] against current Czech automotive market data on the units of each competitive model and their apparent retail sales prices and current costs as well as other related information and

b) the results were included in detailed financial forecasts for every aspect of an introduction of GM North American vehicles which was discussed in the extensive meetings with GMODC meetings in 1993 – 1996 and with GMODC and GME in 1995 – 1996

and, then, were reviewed, in 2000, with the Fall 1993 – Fall 1996 GMODC Vice-President who, during 1998 – 2003, was the general managing officer of Toyota's distributorship for Europe's largest and most valuable national automotive market as the Managing Director of Toyota Deutschland.

38. In Spring 2000, the Fall 1993 – Fall 1996 GMODC Vice-President asked both the Chairman of GM and the 1994 – 1996 GME Executive Vice-President to meet with Levin and review the U.S. Motors financial and other business plans.

39. The Chairman of GM readily agreed to meet with Levin and review the U.S. Motors business plans but, subsequently, sent Levin a letter that, after reviewing a GM - U.S. Motors file, he had decided to refer the matter to GM's General Counsel.

40. The 1994 – 1996 GME Executive Vice-President met with Levin in May 2000 and, after reviewing the plans and speaking with Levin about them, noted that Levin had a moral obligation not only to the U.S. Motors investors and those who had contributed major amounts of their time to U.S. Motors, as Levin had stated it, but, as the 1994 – 1996 GME Executive Vice-President, added,

"and to GM"

and undertook to try to "put it back together" by arranging a meeting between Levin and the relevant officials of GME to examine, in such a meeting between Levin and GME, whether and how that could be done.

41. On July 17, 2000, the GME Regional Vice-President sent Levin a fax declining to meet with him.

42. After being contacted on the matter by Levin's November 1995 – December 1996 personal legal counsel on this matter, GM's General Counsel agreed to arrange and participate in a meeting including the GME Regional Vice-President and Levin in Zurich on October 31, 2000.

43. On October 31, 2000, Levin met at GME headquarters in Zurich with GM's General Counsel, the Associate Counsel and the GME Regional Director:

A. GM's General Counsel opened the meeting by expressing regret that the meeting would

need to be limited to 30 minutes because of his need to leave within that time to make an airplane schedule and a similar need of the GME Regional Director, both undoubted by Levin then and now.

B. The GME Regional Director promised Levin to meet, instead, with Levin at his office in Prague where they could take the time to review and discuss the specifics of the U.S. Motors business plans.

44. World automotive industry standards of care and due diligence require at least one such dialogue meeting -- especially regarding a plan developed in cooperation with senior officers of the manufacturer and its relevant subsidiaries over a period of years including an investment of millions of dollars and many years of the full-time professional

services, in addition to major independent architectural, construction and legal services, essential to the architectural, construction, contracting, market data assembly and other financial development and production of such plans approved by such senior officers.

45. Levin spent all of November and the first half of December at Levin's office in Prague requesting a meeting with the GME Regional Vice-President, including leaving letters and notes at his office, while continuing to work to maximize the financial forecasts and their supporting data.

46. Levin, after returning to Detroit in late December without having been afforded the promised meeting, sent written communications to the GME Regional Director in January regarding the

U.S. Motors plans and the need for the October 30-promised meeting to discuss and review the plans.

47. Levin had no other business in Prague in 1993 – July 2001 throughout which Levin, and U.S. Motors devoted, through Levin, its Executive Secretary and its Special Counsel [beginning in 2004, working with the Czech and Slovak elected officers of U.S. Motors and the major investors and other participants in U.S. Motors], virtually all workable hours, during those eight and a half years, to providing the financial, legal and other development services underlying

a) the decision of GMODC in March 1994 to prefer U.S. Motors over GME to distribute the GM North American vehicles in the Czech Republic and Slovakia [Section 7 of this Complaint] and

1) the assurances of support by GME officers, described in prior sections of this Complaint, to enable U. S. Motors to continue into business on the bases included in those same assurances

except September – December 1993 and May – July 1996 during which Levin primarily provided non-deferrable, similar services in connection with the courthouse of the Michigan District Court for the City of Detroit while, in May – July 1996, Czech, Slovak, and U.S. officers of U.S. Motors continued to provide the essential development, financial and legal services which were provided by those Czech, Slovak and U.S. officers of U.S. Motors throughout 1994 – June 2001.

48. In February 2001, the GME Regional Director, without ever meeting with Levin to discuss the U.S. Motors plans, wrote Levin a letter objecting to the U.S. Motors plans to which Levin replied in June 2001, quoting every objection adjacent to a U.S. Motors' reply to facilitate a discussion in the GME October 31, 2000-promised meeting sought again in the U.S. Motors June 2001 reply in accordance with

a) a world automotive industry standard of due diligence and care

b) confirmed, in its specific and U.S. Motors sought application to plans of the character of the U.S. Motors plans, by the position taken and the process pursued by the 1994 – 1996 GME Executive Vice-President and the

1993 – 1996 GMODC Vice-President [and 1998 – 2003 Toyota Deutschland Managing Director] in Sections 12 – 14 and 38 and 40 of this Complaint.

49. On July 13, 2001, the GME Regional Vice-President sent Levin a letter stating that he and the GM officers, contacted by Levin, did not want to discuss the U.S. Motors plans, let alone -- in a clear breach of

a) the GME – U.S. Motors joint venture [Section 35] through which all of the opportunities in the available facilities, architectural plans and highly detailed financial forecasts [Sections 36 – 37] were developed during 1998 – 2000 building, upon the joint GMODC/ GME/U.S. Motors joint work during 1995 -1996 [Sections 12 – 22],

b) GME's October 31, 2000 promise, to meet with Mr. Levin to review and discuss the U.S. Motors plans to see if they could make economic sense for all parties and

c) a world industry standard of due diligence and care – especially regarding a plan developed in cooperation with senior officers of the manufacturer and its relevant subsidiaries over a period of years including an investment of millions of dollars and many years of the full-time professional services, in addition to major independent architectural, construction and legal services, essential to such plans approved by such senior officers,

-- meet with Levin, to review and discuss such plans to determine if they could demonstrate, if implemented, how GM North American vehicles can

be optimally sold and serviced in new national markets to the benefit of all.

Wherefore, U.S. Motors respectfully requests this honorable Court to enter a Judgment in whatever amount and with whatever other provisions this honorable Court deems just under all of the circumstances.

/s/

Joseph Levin P 16604
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313:892-8581

May 27, 2007

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

U. S. Motors, an unincorporated association, Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, U.S. Motors (SK), a.s., a Slovak joint stock company, and Joseph Levin,

Plaintiffs

No. 07-CV-12901

v

Hon. Gerald E. Rosen

General Motors Europe, A.G., a Swiss corporation,

Defendant
_____/

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AFFIDAVIT OF HANS HALBACH

October 10, 2007

AFFIDAVIT OF HANS HALBACH

I, HANS HALBACH, hereby attest to the truth of the following statements of fact and, if called to testify in this honorable court, I am able and willing to do so as a matter of my own personal knowledge.

1. My experience as

a) General Motors Overseas Distribution Corporation [GMODC] [1] Vice-President For Global Business Development,

b) subsequently, Managing Director of Toyota Deutschland [importing, distributing, selling and servicing all Lexus and Toyota vehicles in Europe's largest motor vehicle market] and,

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[1] A subsidiary of General Motors Corporation [GM].

c) previously, 1) the Executive Vice-President of Saab, AB [then only partly owned by General Motors Corporation], 2) the Executive Vice-President of Porsche, AG, and 3) Vice-President for Volkswagen, Audi and Porsche for Canada, where I resided for 20 years,

is the personal background of my following attestations of fact in this case

2. Signed by both the President of GMODC and me in May 1994, the GMODC/U.S. Motors conclusive agreement [Amended Complaint, § 7] -- as revised by GMODC, GME [2] and U.S. Motors in Second Half 1995 meetings [Amended Complaint, §§ 13 – 14 and 16] -- included all the terms needed for U.S. Motors to close its comprehensive financing

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[2] Defendant General Motors Europe, a second tier subsidiary of GM.

and succeed in its planned business as the Dealer of all models of GM North American source [primarily Cadillac and Chevrolet] vehicles exported to Europe with Opel sales and GM North American and Opel service in, at least, Prague.

A. GME, acting through its Czech subsidiary, Opel C&S, s.r.o.,[3] would enter into its standard Dealer Agreement with U.S. Motors (CZ), a.s., [4] to be the Dealer of such vehicles with such joint service, in premium facilities, in, at least, the City of Prague in the Czech Republic.

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[3] A Czech limited liability company.

[4] A Czech joint stock company.

B. U.S. Motors' GM North American models would include all GM North American models exported by GMODC to Europe as agreed in the July – October 1995 GMODC/GME/U.S. Motors meetings and reviewed and approved in the December 1995 GMODC/GME/U.S. Motors meeting and as stated in the February 1996 signed, GMODC/U.S. Motors Distributor Agreements for the Czech Republic and Slovakia [5] and

C. U.S. Motors' GM North American gross margin would be 15% of the pre-Value Added Tax Retail Price set at a 94% competitive index to a Targeted Competitor's Price or the Average Competitors' Price.

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[5] The December 1995 GMODC/GME/U.S. Motor agreement provided for GME to be the Czech and Slovak Distributor and, at least in Prague, U.S. Motors to be the GM North American dealer after December 1996.

3. The 1995 agreement is communicated to any representative of U.S. Motors participating in those meetings and to others [like Ing. Petr Kratochvil] familiar with the economics of the importation and the marketing of luxury vehicles by the following, Petr Kratochvil-attested [6] 1997 – 1999 statements of the senior GME Czech official who participated in the 1995 GMODC/GME/U.S. Motors meetings, producing that agreement, and who, I understand, was also the GME regional vice-president for the region including the Czech Republic and Slovakia during 1995 – 1999:

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[6] Affidavit of Ing. Petr Kratochvil, Sections 9 and 13.

A. GME, through Opel C&S, will enter into such a Dealer Agreement with a new subsidiary of Plaintiff Praha Motors, U.S.A. Motors, s.r.o., to be the Dealer of GM North American vehicles, with Opel sales and service, in premium facilities in, at least, the City of Prague

B. U.S.A. Motors' GM North American models will include all GM North American models exported to Europe.

C. U.S.A. Motors' GM North American gross margin will be 15% of the pre-Value Added Tax Retail Price set at a 94% competitive index to a Targeted Competitor's Price or the Average Competitor's Price.

4. The 1994 GMODC letter of intent [the mode of agreement in the motor vehicle distribution business] is a conclusive agreement binding on GMODC, subject only to the fulfillment of its stated conditions all of which were fulfilled by U.S. Motors, and in which all of the obligations of GMODC were expressly assumed by GME in 1995 with the modifications in Amended Complaint, Sections 13 – 14 and 16, and in Sections 2 – 3 of this Affidavit.

5. Automobile manufacturers and their distributing entities go through changes but it is understood in the automobile distribution industry that a party which has invested millions of dollars in fulfilling the conditions of a letter of intent will be given an opportunity to recover its investment by performance of the agreement, as amended, ur a return of its investment.

6. The sharing of that understanding by GME has been continuously expressed, in this case, by

a) the GME reversals of strong positions of the 1995 – 1999 GME regional vice-president [7] by the 1994 – October 1996 GME Executive Vice-President For Marketing, Sales And After-Sales, in consultations with me, in the March – October 1995 conversations and meetings [Amended Complaint, Sections 10, 12 – 14], resulting in those reversals and leading to i) the concluding meeting arranged by the GM General Counsel and conducted by his Associate Counsel in December 1995 and ii) to the GMODC/GME/U.S.

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[7] I understanding that the "senior Opel official" in Section 10 and the "senior GME Czech official" in Section 35 of the Amended Complaint and Sections 9 – 13 of the Kratochvil Affidavit was the regional vice-president of GME in 1995 – 1999 for a region including the Czech Republic and Slovakia.

Motors agreement concluded in that meeting [Amended Complaint, Section 16, and Section 2 of this Affidavit], [8]

b) the reversal by the GME Executive Vice-President and me in 1996 of the contra-U.S. Motors positions taken in January – March 1996 by the Czech GME subsidiary reporting to the GME regional vice-president, [9]

c) the 1997 – 1999 GME reaffirmations by the GME regional vice-president of the undertakings of GME in the 1995 GME agreement [Section 2] [Section 3 of this Affidavit and Sections 9 and 13 of the Kratochvil Affidavit] [10] and

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8 Amended Complaint, Sections 10, 12 – 14 and 16.

9 Amended Complaint, Sections 19 – 21.

10 Amended Complaint, Section 35, and Affidavit of Ing. Petr Kratochvil, Sections 9 and 13.

d) the GM General Counsel's October - November 2000 reversal of the July 2000 position of the 2000 – 2001 GME regional vice-president. [11]

7. A position of a regional vice-president or similar level GMODC or GME officer, on an issue on which GM officers have engaged themselves, is not and is not perceived to be -- for the basic reality illustrated by the reversals attested in Section 6 -- a decision by GMODC or GME until it is communicated that it is approved by those GM officers, especially if, as here, the position is taken by the regional subsidiary or similar level officer prior to the conclusion of a process with that officer promised by such a GM official.

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[11] Amended Complaint, Sections 41 – 43.

8. GM, GMODC and, within GME, senior officers engaged themselves in the issues here -- most understandably -- in view of

a) the industry understanding stated in Section 5 and expressly shared by the GME Executive Vice-President and implemented by the General Counsel to GM as described in Section 6 and

b) the strategic character for GM of the underlying issues here as they were addressed and resolved in 1995 by the GME 1994 – October 1996 Executive Vice-President and as attested here [6] have been reaffirmed by the 1995 – 1999 GME regional vice-president [a major participant in the 1995 agreement] repeatedly during 1997 – 1999.

9. GM and GME, like any persons in a free society, have a right to change their plans at any time and either find a way to implement any agreement made in reliance upon their prior, agreed upon plan or return the investment made by others in reliance on their prior, agreed upon plan.

10. The general and industry understanding attested in Section 5, substantially expressed by GME officers engaged in the Section 6 meetings, requires such a good faith effort to implement the original agreement in a form acceptable to the manufacturer/distributor with its own internal changes or a return of the investment in reliance upon that agreement.

11. What constitutes such a good faith effort – as a practical matter in reviewing a plan as appropriately thorough as U.S. Motors' plans -- clearly includes at least some portion of what the GME Executive Vice- President and I arranged and was conducted in 1995 in our mutually confirmed, express understanding of the obligation in Section 10 given the post-May 1994 GMODC/U.S. Motors conclusive agreement [Amended Complaint, Section 7] timing of the Fall 1994 decision of the GM Strategy Board to transfer the responsibility for marketing the GM North American vehicles in Europe from GMODC to GME [Amended Complaint, Section 8].

One: Submission by U.S. Motors of its plans to GME.

Two: A meeting on any comments of GME on those plans.

12. The GME regional vice-president, in his February 2001 letter, did not refuse to meet with Joseph Levin.

13. The GME regional vice-president, it is attested, [12] responded to the U.S. Motors June 2001 extensive Reply to his February 2001 letter in late June 2001 by writing to Levin that he was sending the U.S. Motors June 2001 Reply to other GM personnel for their review.

14. In my experience with the relationships between the parent and subsidiary elements in an automotive manufacturing group and what people in the industry expect and understand about those relationships, it was not until the July 13, 2001

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[12] Levin October Affidavit, Section 3.

letter of the GME 2000 – 2001 regional subsidiary vice-president [whose positions had been overridden in July 2000 by the GM General Counsel just as his predecessor's positions had been overridden successively in 1995 – 1996] --

> stating that the senior officers of the controlling entity, who had engaged themselves specifically in arranging and even promising such a meeting with the regional vice-president [the GM Vice-President For Dealer Relations who undertook to try to arrange such a meeting [13] and the GM General Counsel who (in a prior meeting called and held in Europe between the General Counsel, the regional vice-president and Levin to secure such a meeting) promised (along with the regional vice-president) such a

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[13] Amended Complaint, Section 40.

meeting [14]] did not "wish" to discuss the matter further [15]

-- that a termination of what had been an ongoing, joint, 1995 – 2001, GM/GME – U.S. Motors effort to implement the GMODC/GME/U.S. Motors 1995 agreement [repeatedly reaffirmed by the 1995 – 1999 GME regional vice-president during 1997 – 1999 [6]] occurred with the occurrence of that termination being communicated to U.S. Motors.[16]

15. In the industry, changes from prior decisions made on corporate-wide strategic issues

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[14] Levin October Affidavit, Section 2, Amended Complaint, Section 43.

[15] Levin October Affidavit, Section 4; Amended Complaint, Section 49.

[16] The writers of the July 13, 2001 letter recognized that reality by essentially limiting the letter to a statement that the GM officers copied on the letter, including the GM senor officers who had sought such a meeting and had promised such a meeting, did not "wish" to discuss the matter further.

are, by definition, not understood to be made or first communicated by a regional officer of a subsidiary, especially before completion of a process promised by a senior officer of the controlling entity.

16. The underlying issues here are strategic issues for GM including but extending far beyond the processes and substantive materials of GME.

17. The current Chairman of GM agreed with my summary of those strategic issues when, in answer to his question to me, during my years as the GMODC Global Business Development Vice-President --

"How is it going?"

-- I answered:

"GM has to decide whether it wants to be an export company."

18. The strategic, corporate wide character and importance of the issues further explains why a 2000 – 2001, subsidiary, regional vice-president's first substantive comments on the GMODC/GME/U.S. Motors 1995, agreed upon plans, updated pursuant to 1997 – 1999 reaffirmations of the GME agreement underlying those plans by the regional vice-president's 1995 – 1999 predecessor personally participating in the GM/GMODC/GME meetings producing those plans and that agreement, concluding in a meeting arranged by the GM General Counsel and conducted by his Associate General Counsel with the GME Director of Retail Dealer Development also attending all of those meetings,

a) would not communicate that his position was the position of senior officers of GME or the controlling entity, GM, on such a strategic GM issue, who had expressly undertaken to seek , in the case of the former GME Executive Vice-President and, at that time, GM Vice-President For Dealer Relations, or promised, in the case of the GM General Counsel, a dialogue meeting on the plans [including at least any such substantive comments and an opportunity to reply to them during or after such a dialogue meeting] and

b) would not communicate as being more than the position of the regional vice-president, reversible, as the positions of GME regional vice-presidents on U.S. Motors issues had been reversed several times, but were, also, the position of those senior officers of the controlling entity who had

undertaking to arrange a more complete process or had even recently promised a more complete process in a special meeting with the regional vice-president and Levin called and held only to secure such a process.

19. The following generic reasons for the strategic character and importance of the export vs. acquisition of foreign production facilities issue, and the resulting strategic character and importance of the choice of distribution channels, clearly have particular impact on GM/GME given the United States international payments deficit [an integral part of the long-term, international leadership of the United States vital to all of us] and the severe drop in U.S. automotive manufacturing employment in the last two decades:

A. Export demand can moderate the impact of homeland demand changes and resulting underuse of homeland production capacity.

B. Homeland government leaders may be urging the manufacturer to do its best to sell its domestic products in other nations to maximize employment and median income and improve its balance of payments.

C. Homeland unions may be less cooperative with various adjustments needed by the manufacturer if homeland union leaders believe that the manufacturer is unnecessarily shipping its jobs -- rather than its vehicles -- to other nations.

D. A luxury car, not sharing a substantial percentage of the market in the U.S., Europe and Japan, is devalued in its homeland market.[17]

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[17] The Cadillac Division has acknowledged the need for Cadillac to increase its sales in Europe and Japan in order to be sold even in the U.S. with the market value of a vehicle perceived to be a luxury "world car" like BMW, Lexus or Mercedes. Nissan, in the same realization, has widened its sales of Infiniti brand vehicles, previously limited to the United States and Canada, to Europe, expressly to heighten the value of Infiniti in the United States and Canada.

E. A luxury car, associated with one nation but not produced in that nation, may lose its value in other nations. [18]

F. A distribution channel for selling and servicing a luxury make [Cadillac] of vehicles in embryonic, new markets [the Czech Republic or other Eastern European markets] and previously

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[18] Porsche A.G. might decline an offer to produce its vehicles, even perfectly, in Singapore in the correct belief that a Porsche produced there would not be trusted or regarded by many of its potential buyers to be a real Porsche.

Likewise, a Cadillac or Chevrolet, not made in the States, might not be seen as a real Cadillac or real Chevrolet which -- at least with buyers, wide-spread in the Czech Republic and other parts of the world, emulating America and American culture by using conspicuous products associated with America and its culture – might decrease its value in many nations.

unsuccessful markets for that vehicle [Western European markets] may need other upscale models of another make [Chevrolet] of the manufacturer [GM] to enable its dealerships to avoid needing to sell competing vehicles in order to cover their basic costs.

Fully-equipped versions of up-scale Chevrolet models, other than Corvette, are middle- or low-end luxury vehicles, *but still luxury vehicles,* in many markets: Only such fully equipped, up-scale Chevrolets were in U.S. Motors' financial plans, approved by GMODC/GME in 1995 and continued, with the 1997 – 1999 reaffirmations of the 1995 agreement/plans by the GME 1995 - 1999 regional vice-president, in U.S. Motors' 2000 plans.

20. One comprehensive [19] strategic plan for addressing the GM/GMODC and GM/GME portion of

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[19] The GME February 2001 first and only comments on the U.S. Motors plans

the strategic issues here was the basic plan underlying the 1994 GMODC-U.S. Motors / 1995 GMODC/GME/U.S. Motors agreement including the December 1995 agreed upon financial plans, predicated on the 1994 -1995 premium facilities [20] / 1996 GMODC/GME/U.S. Motors revised facilities, [21] attested to have been reaffirmed by the 1996 – 1999 GME regional vice-president during 1997 – 1999 [6]

[based on the GMODC/GME/U.S. Motors 1995 agreement as attested to have been reaffirmed in 1997 – 1999 by the GME regional vice-president] acknowledge that they are "comprehensive." That comprehensive quality [far beyond that in a standard GMODC or GME financial plan], continually updated and adjusted to address factually every evolving issue, was a major factor in the 1994 GMODC decision to enter into its agreement for U.S. Motors, rather than GME, to be the Czech and Slovak distribution channel for GM North American vehicles [Amended Complaint, Section 7]

[20] Amended Complaint, Sections 7, 13 – 14, 16; Section 2 of this Affidavit.

[21] Amended Complaint, Sections 18 – 22.

and materially revised only by the 2000 facilities [22] attested to having been admitted [23] by the GME regional officer to be superb or are so clearly superb that no objection was made to them in the GME regional vice-president's February 2001 letter [his only comments on the plans] reaching for any objection.[24]

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[22] Valenta Affidavit, Pages 8 – 12.

[23] Levin October Affidavit, Section 1.

[24] Persons ·· experienced in the automotive distribution industry as well as without any experience in the industry ·· would recognize the February 2001 letter from the GME regional vice-president as the product of a three–month, November 2000 – January 2001, continuing into February 2001, search for plausible [with no opportunity for consideration of a reply] or colorable objections to the U.S. Motors plans. Understandably, even that letter expresses no reservation about the one element theoretically open in the 1995 GME agreement reaffirmed by the 1995 – 1999 GME regional vice-president through 1997 – 1999 ···· the replacement facilities in the 2000 plans ···· the primary one of which had been

21. A different, but clearly strategic, plan for addressing the GMODC portion of those strategic issues is the current GM/GME, Cadillac/Chevrolet distribution in continental Western Europe through a chain of dealership locations selling competing luxury vehicles and Chevrolets through Opel dealerships without, in the case of the Cadillac dealerships, the unit sales volume per dealership and without, in the case of the Opel dealerships, the gross margin and/or units sales to cover all costs of

a) the premium facilities dedicated solely to the GM North American vehicles [through, in the U.S. Motors plans, selling the Opel, with clear brand separation, either in a completely separate facility

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admitted [*viz.* Note 23] by the regional vice-president in early July 2000 to be an optimal plan and location and the Downtown GM North American showroom of which -- as would be obvious to virtually anyone who has been or goes to Prague -- is a superb location for such a GM North American showroom right off Prague's historic Wenceslaus Square heavily trafficked by Czechoslovaks and Western Europeans and North Americans working or visiting there.

or, as shown on Valenta Affidavit Page 12, a completely separate wing, with combined GM North American and Opel service designed with room for separate Cadillac/Chevrolet and Opel Service reception functions in order to communicate that both the Cadillac and Chevrolet vehicles are being serviced by staff professionally focused on those vehicles with the same customer satisfaction, in this regard, realized by a Downtown Toronto VW/Audi dealership location in which the service facilities for both makes were so combined with separate VW and Audi brand reception desks,

b) highly professional, independent, semi-annual consumer research to inform and check on the impact of the extensive advertising,

c) point-of-purchase mass advertising, in a high income area of Prague right off the exit from one the most highly traveled limited access roads in Prague, rendered on Valenta Affidavit Page 10 .

d) other mass advertising not funded by GME,

e) direct telephone and mail advertising,

f) an extensive demonstrator fleet,

g) a 24-hour nationwide, road service and

h) other specifics, all detailed in the U.S. Motors financial plans submitted to GM Europe and clearly important in launching successfully GM North American brands in new markets or in lifting them in markets in which their sales have been miniscule without the implementation of such a plan.

22. The strategic character of the choice between

a) the Section 20 GMODC / GME / U.S. Motors plan/agreement,

i) approved after July – October 1995 GMODC/GME/ U.S. Motors meetings reviewing the U.S. Motors financial and other plans concluding in a December 1995 meeting arranged by the GM General Counsel and conducted by his Associate

Counsel and the GME Director of Retail Dealer Development,

ii) reaffirmed by the 1995 – 1999 GME regional vice-president [present at the meetings leading to that agreement] and

iii) continued in 2000 - 2001, with the same total unit sales found to be reasonable by Coopers & Lybrand in an independent March 1995 study [of whether U.S. Motors' plans were realistic] contracted by a major Czech bank [then considering approval of the financing of U.S. Motors], to which Coopers & Lybrand was the independent auditor, when the market was approximately half the size, and

b) the current GME distribution of

i) Cadillac in Europe in a dealership selling competing luxury vehicles and

ii) Chevrolets in Opel dealerships typically far below the image and quality of Chevrolets

is evidenced by the pled May 2000 reaction to the 2000 plans by the GM Vice-President For Dealer Relations [the 1994 – October 1996 GME Executive Vice-President For Marketing, Sales and After Sales] after Levin told him that Levin had

> "a moral obligation not only to the U.S. Motors investors and those who had contributed major amounts of their time to U.S. Motors" [intending to add "but to GM as well"}

-- completing himself that sentence for Levin with these words:

"and to GM."

Amended Complaint, Section 40.

23. In summary --

as a matter of common understanding at least in the automotive distribution business based on my experience summarized in Section 1

-- an undertaking by GME begun in 1995 -1996 and repeatedly reaffirmed by its senior regional officer [attending the 1995 meetings held to implement that undertaking] during 1997 – 1999 [6] --

with GME clearly taking directions in the basic steps in this matter from senior officers of its controlling entity, including its General Counsel, who, it is attested here, promised, at a November 2000 meeting scheduled in Europe, called for this purpose, a fundamental process expressly understood by the GME 1994 – October 1996 Executive Vice-President and me to be essential to performance of an obligation of GMODC in a 1994 GMODC/U.S. Motors

agreement, expressly assumed by authorized officers of GME in behalf of GME, to take the steps needed to try [indispensably including at least some substantial portion of a meeting process exemplified by the 1995 GMODC/GME/U.S. Motors meeting process] to implement that agreement, made prior to a change in the plans of GM/GME, or return the investment made by others in reliance on that agreement

-- was not terminated until, as it is attested here, [25]

1) U.S. Motors replied comprehensively in June 2001 to the February 2001, first comments by the 2000 – 2001 GME regional vice-president [without refusing to hold the November 2000 promised meeting] to the U.S. Motors November 2000 submitted plans,

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[25] Levin October ffidavit, Sections 3 - 4.

2) the GME regional vice-president subsequently responded to the Reply by writing to Levin, later in June, that he had sent copies of the U.S. Motors Reply to other persons in GM or GM entities for their review and

3) the regional vice-president informed Levin on July 13, 2001, that neither he nor the GM Vice-President For Dealer Relations [1994 – October 1996 GME Vice-President For Marketing, Sales And After-Sales, who had undertaken to arrange such a meeting, nor the GM General Counsel who, at the November 2000 meeting, had promised such a meeting, had any "wish" to discuss the matter further.

24. With reference to the statement in Defendant's Reply Brief that the 2002 action [dismissed, as I understand, by a stipulation of the parties], the 2005 voluntary dismissal [prior to service of the Complaint and Summons] of the action filed in 2004 and the filing of an action on July 10 and its dismissal with the almost simultaneous filing of this action on July 11 resulted in "harassment for GME" [Defendant's Reply Brief, Page 1], I attest to the following:

A. At the request of Mr. Levin, I participated, as a person experienced in business usage of the German language, in the finalization of the German translation of the Complaint filed on July 11, 2007, preceded by the work on drafts of the Complaint filed on July 10, 2007.

B. I recall receiving a call from Mr. Levin on the morning of July 11 in which we agreed that he should file a new Complaint, with a corresponding revision of the German translation to be served on GME in accordance with the Geneva Convention On Service of Process Abroad, to comply with the advice attested by Mgr. Marek Czivis, in his Affidavit in this action, to bring the U.S. Motors July filings into compliance with Czech law.

C. From the events of 1994 described in Amended Complaint, Section 10, all of the subsequent, 1995 – 1996 work described in the succeeding Sections 11 – 23 clearly requiring and receiving all of Mr. Levin's time on a seven days a week. 52 weeks a year basis, and the November 1996 – June 2001 work, clearly requiring and receiving the same kind of work, Mr. Levin continually and

uninterruptedly was focused on the continuing work, with the 1994 – October 1996 GME Executive Vice-President and other GME officers, the Office of the General Counsel to GM and me to implement the GMODC/GME/U.S. Motors 1995 agreement and its underlying plans in his expressed belief that he owed such extraordinary work not only to those who invested in reliance upon that agreement but, as the 1994 – October 1996 GM Executive Vice-President [2000 GM Vice-President For Dealer Relations] rightly volunteered, as Mr. Levin attests through Section 1 of his September Affidavit and I -- from my numerous conversations and meetings with that now former GM officer on this matter -- would expect,

'to GM."

23. Only when the 2000 – 2001 regional vice-president communicated to Levin on July 13, 2001, that the General Counsel who had promised a meeting process [absolutely essential to any meaningful consideration of plans as appropriately comprehensive and detailed as the U.S. Motors plans, with easy reference to all of the specifics in a form acknowledged by the 2000 – 2001 GME regional vice president in February 2001 to be "comprehensive" but not a format familiar to him], neither he nor the 2000 GM Vice-President For Dealer Relations who, it is attested, had undertaken to try to arrange such a meeting, nor the General Counsel to GM who, it is attested, had promised some meeting process, in a meeting in Europe called for that purpose, did Mr. Levin state to me that the only remedy appeared to be the remedy in the obligation expressly understood by the 1996 GME

Executive Vice President and me, in the absence of an implementation of the GMODC – U.S. Motors agreement, as revised by GME in 1996 to conform to the subsequent changes in the GM/GME plans – a return of the investment made in reliance upon the prior agreement.

s/Hans Halbach

Hans Halbach

Nr. 355 der Urkundenrolle für 2007

Vorab fragte der notar, ob es sic hum eine Angelegenheit handelt mit der er oder

Herr Rechtsanwalt Kuhlmeyer außerhalb der Amtstätigkeit des Notars oder

Notarvertreters, als Rechtsanwälte oder Privatpersonen oder geschäftlich

Schon befaßt waren, das beantwortete der Erschienene mit nein.

Die heute vor mir gefertigte Unterschrift des

Herrn Hans halbach, geb. Am 27.08.1939

Wohnhaft OT. Transvaal nr. 7,29379 Wittingen,

Von Person bekannt,

Beglaubige ich hiermit.

Wittingen, den 10. Oktober 2007.

s/Notar

(seal)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

U. S. Motors, an unincorporated association, Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, U.S. Motors (SK), a.s., a Slovak joint stock company, and Joseph Levin,

Plaintiffs,

No. 07-CV-12901
Hon. Gerald E. Rosen

v

General Motors Europe, A.G., a Swiss corporation,

Defendant.
_____/

Joseph Levin
P16604
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2806 Cambridge Road
Detroit, Michigan 48221

James P. Feeney
P13335
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P57161
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313-548-4340

AFFIDAVIT OF KAREL VALENTA

September 4, 2007

AFFIDAVIT OF KAREL VALENTA

I, KAREL VALENTA, hereby attest to the truth of the following statements of fact and, if called to testify in this honorable court, I am able and willing to do so as matters of my own personal knowledge.

1. I am a citizen of the Czech Republic residing at Na Kuzelaku 174, Vonoklasy, Czech Republic.

2. I was the manager of the Czech operating staff of the United States Embassy in the Republic of Czechoslovakia from 1985 to 1991.

3. In 1991, I was retained by Andersen Consulting [one of the world's most respected management consulting firms] to establish the operations of Andersen Consulting in what was then Czechoslovakia.

4. I did so and was its principal Czech consultant through 1997.

5. I served in that capacity through 1997 and, in that capacity, I witnessed repeatedly the customary conduct, expectations and relations of Czech/Slovak businesses and foreign entities launching and conducting their businesses in these new markets opened by our 1989 Revolution.

6. In January 1997, I agreed to serve on the governing board of U.S. Motors (CZ), a.s. [the Czech subsidiary of Plaintiff Praha Motors].

7. I agreed to do so on the condition that Ing. Petr. Kratochvil would also be elected to the governing Board so that he and I could lead U.S. Motors (CZ) together:

A. Ing. Kratochvil is the Founder and was the President of the Czech Association of Motor Vehicle Importers.

B. Employed by Sumitomo Corporation in Czechoslovakia since 1977, Ing. Kratochvil founded the subsidiary of Sumitomo [the holder of an exclusive right to import and distribute Nissan vehicles in what was then Czecholsovakia] when Ing. Kratochvil, in 1991, successfully launched the importing, distribution, sales and servicing of Nisasan vehicles in Czechoslovakia continued by Ing. Kratochvil successfully in the Czech and Slovak Republics after the separation of Czechoslovakia into two separate nations at the end of 1992.

8. I made Ing. Kratochvil's election a condition of my participation in U.S. Motors because of the facts in the last preceding section of my Affidavit and because I knew of the long, mutual trust between him and the senior Czech GME official referenced in the Amended Complaint.

9. Ing. Kratochvil agreed in January 1997 to serve on the governing Board of U.S. Motors (CZ).

10. In January 1998, Kratochvil and I were duly elected to the governing Board of U.S. Motors (CZ) and I and others, recommended or approved by Kratochvil and me, were also elected to the governing Board.

11. We proceeded throughout 1998 – July 13, 2001 on the under-standing, related by Kratochvil to me, that the senior Czech GME official

a) welcomed our selection in January 1997,

b) in Fall 2007 expressed a belief that GME was "obligated" to U.S. Motors and would be willing for U.S. Motors, with its new Czech leadership, to be dealers of Cadillac, Chevrolet and Opel vehicles in the Czech Republic and Slovakia, as planned in the detailed pre-1997, GMODC – GME – U.S Motors meetings in which the senior Czech GME official was a major participant,

c) stated that he would inform U.S. Motors, with such Czech leadership, as he then did during 1998 – 1999, how, assuming the prior abilities of U.S. Motors on the financial planning and other business planning, development specifics reinforced by its new Czech leadership, to get into U.S. Motors' 1995 - 96, GME/U.S. Motors-planned, business with a

new Czech entity replacing U.S. Motors (CZ) --- GME 1998 – 1999 communications to U.S. Motors underlying all of the 1998 – 2000 development work embodied in the financial and other plans submitted by U.S. Motors to GME in 2000 and June 2001 including the June 2001 Summary of Forecasts and the June 2001, May 1994 – August 2001 Report and Forecast and September 2001 – March 2007 Forecast attached to today's Affidavit of Joseph Levin, and

d) stated that GME, as the importer acting through Opel, would welcome and support a U.S. Motors with such management and financial plans [including the dealer margin and vehicles, subject to their being exported to Europe, or their replacements exported to Europe] and work with such a U.S. Motors, just as the GME senior Czech official was working with Ing. Kratochvil in effectively a GME – U.S. Motors joint venture to make such a Cadillac, Chevrolet and Opel sales and service, U.S. Motors Dealership, with such facilities, happen.

12. During January 1998 – July 1999, Ing. Kratochvil, Levin and I examined the advantages and costs of numerous possible sites in Prague, Brno and Bratislava for dealership locations selling and servicing Cadillac, Chevrolet and, at least in Prague and Bratislava, Opel vehicles for submission to GME for its approval of such dealerships subject to our subsequently obtaining complete financing as U.S. Motors had obtained in 1993 – 1996 and had closed such financing in November 1996.

13. We were not able to contract for such sites or otherwise represent to anyone any authority to act, under Czech law, until the election of Kratochvil and I to the governing Board of U.S. Motors (CZ) was registered in the Commercial Register by the Commercial Court in Prague.

14. Intensive 1998 – May 1999 legal work by Levin to do so --working with Czech lawyers including the author of a recognized compendium of Czech law who was also elected in January 1998 to the Board of U.S. Motors (CZ) -- is described in the attached English version of a November 2000 article from a Czech law journal, P*ravnik* [Lawyer]: *The Commercial Register In The Light of An (Un)typical Case.*

15. While the delay encountered by U.S, Motors in making our January 1998 election effective -- even though it was uncontested -- until May 1999, described in detail in and the basis for that article, was "untypical," the delay illustrated a general problem, particularly for non-Czech entities, invested in operating businesses in the Czech Republic, needing the freedom to change the Czech leadership immediately when the non-Czech owners believe that a change in that leadership is needed.

16. After our election was finally registered in the Commercial Register in May 1999, the GME Czech official reiterated his advice that, in moving into our planned business as the dealers of Cadillac, Chevrolet and Opel vehicles, we should form a new Czech subsidiary of Plaintiff Praha Motors called "U.S.A. Motors."

17. Pursuant to that advice, Levin, in consultation with Czech counsel, drafted and we signed, in Summer 1999, a Foundation Agreement for U.S.A. Motors which, we agreed, should be discussed with GME -- for any suggestions by GME before filing the Agreement and registering U.S.A. Motors with the Commercial Court -- in the expected meetings with GME in which we would be submitting and discussing our 1998 – 1999, in-process and 2000-finalized business plan including

a) a completely updated, comprehensive Forecast of all costs and expenses similar to the 2001 – 2007 Forecast attached to today's Affidavit of Joseph Levin and

b) alternative options to purchase prime locations for selling and servicing Cadillac, Chevrolet and Opel vehicles -- similar to those GMODC and GME approved and U.S. Motors acquired and lost through the events described in the Amended Complaint -- subject to U.S. Motors obtaining complete financing of all the capital and operating costs of such sales and service facilities and their operations and related expenses, detailed in the Forecasts, similar to the comprehensive equity capital and Czech bank financing which U.S. Motors obtained and closed in 1996.

18. Extensive work on a wide variety of sales and service sites, seriously considered in 1998 – 1999, evolved by early 2000 to architectural plans and reliably estimated costs for

a) one of them to be the Downtown Contact Point for selling Cadillac and Chevrolet vehicles, partly rendered on the next page of this Affidavit, located on a street right off the world-famous and, locally, most highly frequented, Wenceslaus Square [then selling another make as shown on the next page], the most attractive motor vehicle showroom site in Prague, and

b) the second to be the Cadillac – Chevrolet – Opel sales and service center, partly rendered with floor and site plans on the succeeding three pages of this Affidavit, in a high income area of Prague, right off an exit from one of the most highly traveled limited access roads in Prague, for which the Forecast costs include the costs of the rendered video movie display of GM vehicles viewable from the limited access road and capable of projecting, at the point of purchase, to tens thousands of prospective purchasers the beauty, excitement and aesthetic power of GM North American-produced vehicles in a nation highly favorably predisposed to products associated with United States culture -- deeply admired and often emulated by Czechs.

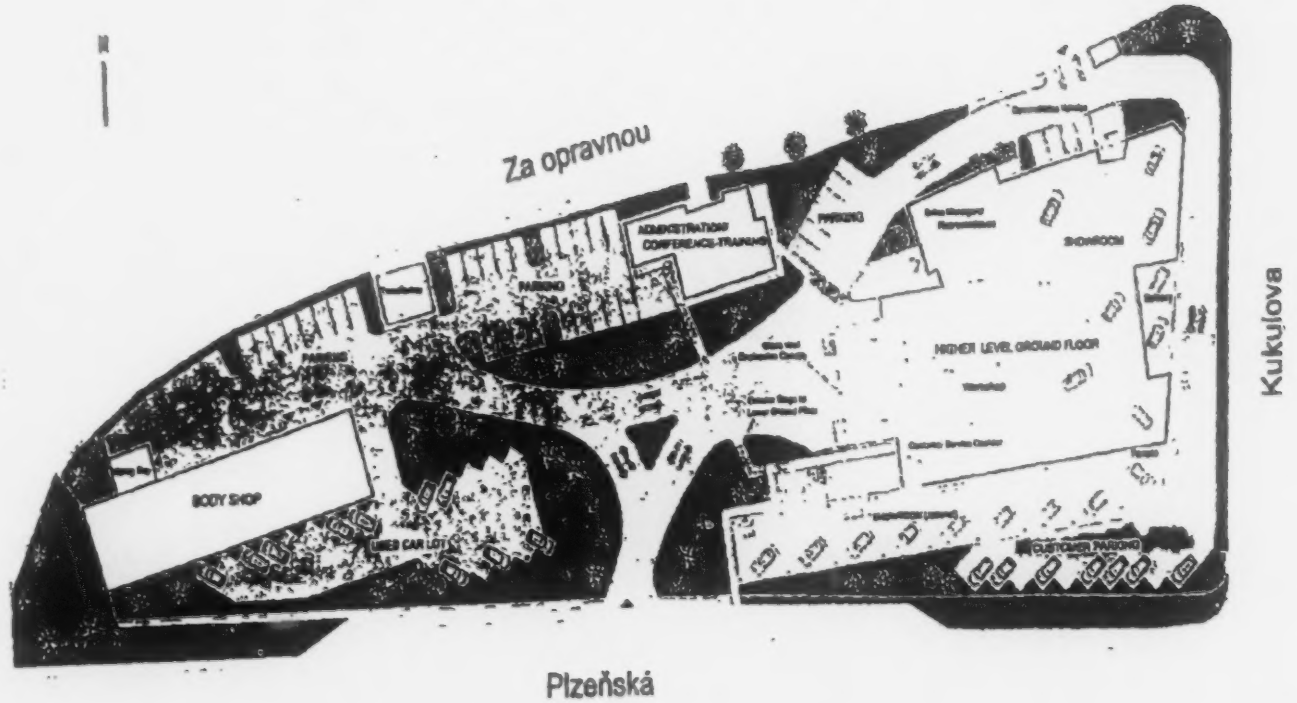
Downtown Contact Point

BEST AVAILABLE COPY

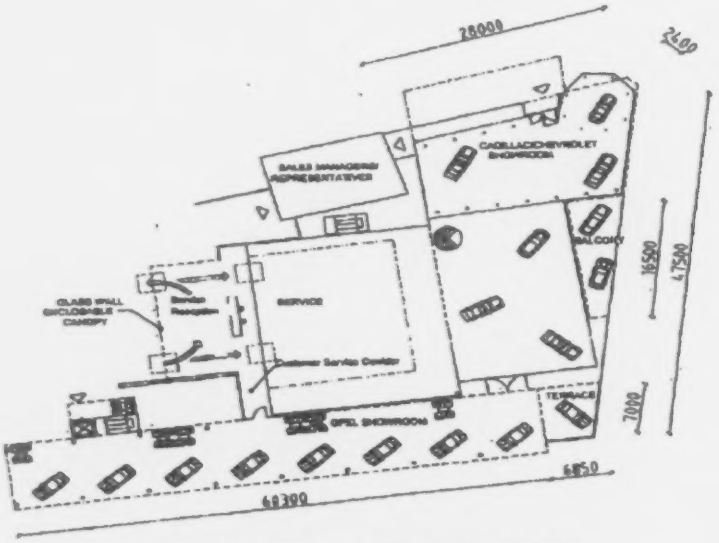
Sales and Service Facility

VIEW FROM LIMITED-ACCESS ROAD

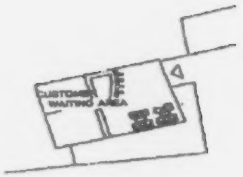
Sales and Service Facility



Sales and Service Facility



HIGHER LEVEL GROUND FLOOR



UPPER FLOOR

19. Ing. Kratochvil and I successively reviewed, during 1998 – 2000, the basic numbers now in the June 2001 Report and Forecast and found them, based on our own extensive commercial experience, including the automotive experience of Ing. Kratochvil, to be conservative and realistic assuming such facilities clearly understood by GMODC and GME, as evidenced by their approval of U.S. Motors' 1996 facilities, to be highly instrumental in marketing vehicles -- especially luxury vehicles -- and, even more importantly, in introducing such luxury vehicles in a new market.

20. We reviewed with Mr. Levin, in April - May 2000, the entire presentation of our comprehensive business plan delivered by him to GME and its principal, General Motors Corporation, as he reported to us, in May – November 2000 and, as he communicated to us, in June 2001 prior to the July 13, 2001 letter from Mr. Lacey referenced in Section 49 of the Amended Complaint.

21. Until the July 13, 2001 letter from Mr. Lacey stating that he had reviewed the June 2001 materials with the General Motors Corporation [GM] officials contacted by Mr. Levin in Detroit, including

a) the GME Executive referenced in Sections 12 – 14, 16, 18 and 21 – 22 of the Amended Complaint and

b) the Senior Vice-President and General Counsel of GM referenced in Sections 42 – 43 of the Amended Complaint,

and that neither of them wished to discuss the matter further, the customary conduct, expectation and relations between Czech business and non-Czech businesses – and we understand, as well, from the GMOCC President For Global Business Development With Special Responsibility For Europe, referenced in the Amended Complaint [subsequently the Managing Director of Toyota Deutschland], Mr. Levin and Czech and North American business people with whom Ing. Kratochvil and I communicate -- are that it would not be remotely customary or reasonable to expect that

1) GME would not meet with Mr. Levin, as both GM and GME are asserted in Section 42 of the Amended Complaint to have explicitly agreed for GME to do in Fall 2000, and

2) GM and GME would not provide that vital element to a GME-promised effort to see if all of the work and representations by GM, GMODC and GME, related in the Amended Complaint or the more specific Affidavits being filed in this case on this date, and the investment of millions of dollars and years of extensive work by many people in U.S. Motors, including major, intensive, seven-days-a-week work, could be honored consistently with GM/GME interests and plans, especially since no funds were being requested by U.S. Motors from GME or any GM entity.

Prague, Czech Republic September 4, 2007

KAREL VALENTA

s/ Karel Valenta

Ověřeni – legalizace
Běžné číslo ověřavaci knihy: 0 (handwritten)
4744/2007
Ověřuji, že.....(handwritten) Karel Valenta
.....(handwritten notations).....
Je...(handwritten notation).. totožnost byla zjištěna z úředniho prükazu, tuto listinu přede mnou vlastnoručně podepsal.

V Praze dne (handwritten) 09.09.2007

/s/

Mgr. Alexandra Červová
Trvalý zsátupce
JUDr. Blanky Čechové
Notářky se sídlem v. Praze (seal)

ENGLISH VERSION OF ARTICLE

IN *PRAVNIK* [LAWYER]

November 2000

The Commercial Register In The Light Of An (Un)Typical Case

Mgr. Jindřich Vítek

The Commercial Register provides:

> "significant legal facts relating to merchants and business companies for the purpose of making them known in public and taken notice of. " [1]

That was the way A. Wenig characterised the purpose and significance of the Commercial Register as early as 1928 in a description applicable through today.

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[1] Wenig, *A Handbook of Business Law In Force In Bohemia, Moravia and Silesia*, 3rd ed., Volume 1, Brno 1928, p. 65

But why does the Commercial Register --

> a business law institution whose main goal and objective is the laudable intent to make business parties better informed and provide them with some certainty or protection

-- currently rather embarrass Czech experts and be derogatorily described as a

"bottleneck of our economy"?

A complete reply to that question is hard to develop. However, with some certainty, one can say that the biggest vices of our current commercial registration procedure are its extensiveness and its bureaucratic, fiat-like rigidity

The objective of this article is to illustrate, using a practical though atypical case, how the commercial registration procedure can literally **paralyse** the activities of a business entity for extensive periods of time and to try to identify the causes producing such a state of affairs so inimical to our national economic development.

In 1994, a limited liability company, called, for the purposes of this article, ABC, L.L.C. (hereinafter "ABC"), was established under the laws of the State of Delaware, United States of America, with its registered office located in that state.

The legal form of such a company is close to that of a limited liability company under our laws; however, the persons statutorily vested with the ultimate authority to manage the business of a Delaware limited liability company [its governing body] are its managers who are called the "Board of Directors" under the specific terms of ABC's Operating Agreement [a document akin, in function, to a Foundation Agreement or Articles of Association under our laws].

ABC legal counsel had previously established a Czech limited liability company (XYZ, s.r.o.) which was subsequently converted to a Czech joint-stock company (XYZ, a.s.), hereinafter "XYZ", of which ABC became the sole shareholder.

In January 1998, the ABC Board of Directors, meeting in Prague before a Czech Notary, elected three persons to act as an Executive Committee for ABC and ABC's Board of Directors for an unlimited time in all respects with respect to XYZ.

Immediately, before the same Notary, that ABC Board of Directors, fully empowered Executive Committee a) resolved to exercise ABC's power as the sole shareholder of XYZ to remove identified persons from and elect identified persons to the XYZ Board of Directors and Supervisory Board and b) appointed and empowered one member of the Executive Committee, Mr. J.N., to do so, in behalf of ABC, at an XYZ general shareholder meeting held minutes later before the same Notary.

At that immediately following XYZ shareholder meeting, Mr. J.N., in behalf of the sole shareholder of XYZ, both removed the ABC Executive Committee-identified persons to be removed from and elected the ABC Executive Committee-identified persons to be elected to the XYZ Board of Directors and XYZ Supervisory Board.

An Application was filed with the Prague Commercial Court to strike the names of the removed members of both Boards from the Commercial Register and add the names of the new members of both Boards to the Commercial Register so that, under Czech law, they can effectively represent XYZ with other parties.

The Application, in addition to the standard specifics, was supported by Czech notarial protocols recording the decision of the ABC Board of Directors to empower the ABC Executive Committee to act for ABC and its Board of Directors and the decision of the Executive Committee to remove or elect identified persons from or to XYZ's Boards and to empower one of its members, Mr. J.N., to implement that decision, in behalf of ABC, at the XYZ general shareholder meeting on the same day.

In a March 1998 Decision, the Regional Commercial Court called upon the Applicant to produce an abstract from the register of shareholders of the company and a superlegalised extract from the commercial register relating to ABC which would make it clear who "represented"

the company and if the company was "represented", then a special power of attorney with a certified and superlegalised signature of the principal of the company. The March 1998 Decision further stated that, if the company was not "represented", a protocol should be produced regarding the sole shareholder's decision made by some person who would be duly proved to represent the company's "statutory body".

The Applicant delivered to the Court an official Czech translation of ABC's Operating Agreement, attached to a Sworn Statement, before a Czech Notary, by ABC's Executive Secretary certifying to the signatures on the attached copy of the English original of the Operating Agreement, including his own signature and the signature of every Director and every member of ABC, and certifying that no amendment had ever been made to that Operating Agreement which, by its terms, was amendable only by a writing signed by all of the original signers.

Other Sworn Statements by the Executive Secretary, before a Czech Notary, were filed with the Court quoting the portions of the Operating Agreement fully empowering the Directors at the January 1998 Meeting to take any action in behalf of ABC, clearly including the creation of such an Executive Committee and attaching superlegalised statements by the Department of State of the State of Delaware that , under Delaware law, the managers, or directors, of a limited liability company are not entered in any commercial register and a superlegalised opinion of the Attorney General of the State of Delaware that the operating agreement of a Delaware limited liability company identifies and defines the powers of the managers (here, called "directors") of a limited liability company.

A further Sworn Statement by the Executive Secretary, before a Czech Notary, certified that no investor, employee or other participant in either ABC or XYZ had ever suggested that the Directors acting in January 1998 were not empowered to act as they act or that any other persons were empowered to act for ABC.

The Applicant also delivered to the Court an opinion issued by the State and Law Institute of the Academy of Sciences of the Czech Republic with respect to this particular case, opining that. pursuant to Section 22 of the Commercial Code, the legal capacity enjoyed by any entity, other than a natural person, pursuant to the law under which it had been established was also enjoyed under the laws of the Czech Republic and that, under the same provision, the law pursuant to which such *a* company was established is also deemed to be applicable to its internal legal relationships and its members' liabilities for the company's obligations.

The basic sense of the cited provision of Czech law indicates that no foreign entity can be forced to prove by an extract from a commercial register any details which, pursuant to the laws of the state under which such foreign entity was established, are not registered in any commercial register of that state.

Such facts are provable by the foreign entity in any other manner because it cannot do so from a commercial register since such details are not entered in any commercial register.

In the issued opinion of the State and Law Institute of the Academy of Sciences of the Czech Republic, an operating agreement or other memorandum of association, a power of attorney, a sworn statement or any similar document are and must be sufficient to serve as such evidence.

In June 1998, the Regional Commercial Court refused the Application for entry of the changes in the Commercial Register.

Its decision contended that the Operating Agreement and the accompanying Affidavits did not prove the composition of the current statutory body, i.e. the ABC Board of Directors and, therefore, did not establish the authority of the Executive Committee or Mr. J.N. to act for ABC.

The Applicant appealed the decision, contending that the Commercial Court erred on both the facts and the law.

In October 1998, the High Court in Prague, in its capacity as a court of appeal, concluded that the appeal was well-founded only in part.

The Court, while finding that the evidence presented to the Regional Court was sufficient [apart from a new, non-evidence issue raised by the Court of Appeals regarding a divergence between the number of elected directors and the number of directors provided in the Articles of Association], wrote in general about missing required evidence, without specifics, and made the following general observations.

The appellate court stated that it was necessary to distinguish between cases where the law explicitly imposed a duty on the applicant to supply specific evidence to the court (e.g. Section 12(2) of the Commercial Code providing that an application for entry of a limited liability company must be accompanied by the memorandum of association and proof of payment of the contributions to the registered capital) and those

where such duty was not explicitly stated by the law.

In the latter type of case (this being the instant type of case according to the court of appeal), it was up to the court to call upon the Applicant to produce any evidence considered to be material and necessary for a favourable decision by the court but which the Applicant had failed to submit on its own initiative.

The Applicant was requested only once to supplement its evidence in this case, namely by the Regional Commercial Court's decision of March 1998, in response to which the Applicant provided

1) the foregoing notarised official translations of the signed, ABC Operating Agreement,

2) Sworn Statements of the Executive Secretary identified in that Operating Agreement and empowered by Section 3.12 of the Operating Agreement to represent ABC on all legal matters,

3) the superlegalised statement by the Department of State of the State of Delaware that it maintained no commercial register with respect to Delaware limited liability companies,

4) the superlegalised opinion of the Attorney General of the State of Delaware that the operating agreement of a Delaware limited liability company determines who is authorized to act for the company and

5) the opinion of the State and Law Institute of the Academy of Sciences of the Czech Republic that the foregoing should be sufficient to record the removals and the elections in the Commercial Register.

On the basis of that evidence, without any refutation by other evidence or any other contest, the High Court, unlike the Commercial Court, considered the Operating Agreement and

Affidavits to be relevant evidence to prove the stated facts.

In the October 1998 opinion of the High Court, it had been proved that the Board of Directors had met, in a quorum, had empowered the Executive Committee to act for ABC in all respects with respect to XYZ, that the Committee had granted a power of attorney to Mr. J. N. to act in behalf of ABC in the exercise of its powers as the sole shareholder at the immediately following XYZ general meeting and that Mr. J.N., so acting, had removed from and elected to the XYZ Board of Directors and Supervisory Board the persons sought by the Application to be removed or added from the Commercial Register of the members of the XYZ Board of Directors and XYZ Supervisory Board.

But, from the XYZ Articles of Association, in the court file, the court of appeal raised a new issue not raised in or by the Commercial Court.

ABC, as the sole shareholder of XYZ, had elected, in January 1998, five persons to the XYZ Board of Directors and three persons to the XYZ Supervisory Board even though the 1995-filed Articles of Association provided for three members of the Board of Directors and five members of the Supervisory Board.

On the advice of Czech counsel, that a request to amend the Articles would prolong the process in the Commercial Court, the filing of a wide range of prepared amendments to the 1995-filed Articles was deferred until after the urgent business of obtaining legal authority for the new Boards was accomplished.

On that ground, the High Court affirmed the dismissive ruling of the Regional Court regarding the entry of new members of the board of directors in the commercial register under Section 219 of the Civil Procedure Code for a reason other than the reason given or any issue raised in the court of first instance.

Otherwise, on the basis of the foregoing evidence, the High Court held that the January 1998 actions by the ABC Board of Directors, its Executive Committee and the member of the Executive Committee, Mr. J.N., empowered by the Committee, did, pursuant to Section 190 of the Commercial Code, duly removed the prior members of the Board of Directors and the Supervisory Board and duly elected three new members of the Supervisory Board on the premise that it was not infeasible to have two vacancies on the five-member Supervisory Board, according to the 1995 Articles, while there was no way to have five members on what, according to the same 1995 Articles, was a three-member Board of Directors.

Pursuant to Section 200(b)(1) of the Civil Procedure Code, the High Court determined that the statutory requirements for entry of changes to the supervisory board and the removal of the board of directors from the Commercial Register were fulfilled as of the date of the appellate court decision under Section 154(1) and Section 167(2) of the Civil Procedure Code and amended the dismissive decision of the Commercial Court under Section 220(1),(2) of the Civil Procedure

Code by entering those requested changes in the Commercial Register.

In the light of that decision, the ABC Executive Committee empowered its Czech counsel to call and conduct another general shareholder meeting of XYZ and its Czech counsel did call and conduct such a meeting, electing, in behalf of ABC, three persons to the ABC Board of Directors.

A December 1999 Application to record the names of these three Directors was finally granted and their names were finally entered in the Commercial Register as Directors of XYZ in June 2000, 18 months after the original Application.

While, in retrospect, it clearly was a mistake not to seek to amend the Articles of Association in January 1998, any second thought to this issue would recognize that ABC, as the sole shareholder and owner of XYZ, had the power to amend the XYZ Articles and effectively did so by electing five members to the XYZ Board of Directors. Such a "constructive amendment", in

which a court *deems* done what clearly was intended to be done by the party having the power to do it, is feasible under U.S., U.K. or French law but is not available under Czech legal principles.

Even apart from this tactical error. at least retrospectively (the error having only been discovered by the appellate court), the registration procedure took nine months.

It was at least the said nine months that a multi-million dollar investment in the Czech Republic remained wrongfully blocked because no one could act in behalf of XYZ to seek to assert its rights in a facility in which it had invested over $2 million or take other steps, available in 1998 but not as readily available in 1999 or 2000, to re-capture the value of an investment of over $5 million in cash. As a result, some major business opportunities were lost even though an on-going effort is underway to create new ones to replace them.

In general, this case illustrates a major difference between Czech, on the one hand, and American and even some European commercial law and practice.

In the State of Delaware, the Division of Corporations of the Department of State of the State of Delaware is an authority similar to our Commercial Court insofar as the registration of commercial business is concerned.

The Division of Corporations is not maintained by a court (unlike the Czech Republic) but by a government administrative agency.

However, the American practice is not limited to its side of the Atlantic. A similar practice exists in Great Britain where the Registrar of Companies (a company registration office) is maintained by the Department of Trade.

In other countries, such as Italy and the Netherlands, the commercial register is maintained by non-government, public entities, namely the Chambers of Commerce.[2]

But it is true that the commercial register is maintained by courts in commercial matters, in Germany (Das Handelsregister), Austria (Das Firmmenbuch), France (Le Registre Du Commerce et Societes) and others.

Delaware law flexibly provides legal structures for business entities, like corporations, in which the authorized representatives are registered by the State and for business entities, like limited liability companies, in which the identity and powers of persons able to act for the company resides solely in the company's own records.

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[2] In our country opinion also prevails that the Commercial Register should be maintained by the Economic Chamber of the Czech Republic, see e.g. an interview with the President of the Economic Chamber of the Czech Republic RNDr. Zdeněk Somr at Podnikatel 6/99, p. 1)

The Delaware General Corporation Law requires that the list of directors and officers be published in an annual report filed with the State.

The Delaware Limited Liability Company Act does not prescribe for any such registration of any details regarding the powers and identities of people empowered to act for such a company. As noted by the superlegalised opinion of an Assistant Attorney General of Delaware in the instant case, this Act provides that the identity of members and officers of a limited liability company shall be stated in its operating agreement (akin to a memorandum of association or articles of association).

Obviously, the Czech registration court could not succeed in its quest for a super-legalised extract from a non-existent commercial register. Not was it reasonable for it to deny registration to an Applicant who could not manufacture such a register.

In most of the European countries, persons acting on behalf of a company are entered in the commercial register.

In Germany, entry of the initial members of the Board of Directors is requested to be made in the commercial register under Section 33(2) and any change in the members of a board of directors pursuant to Section 34(1) of the German Commercial Code. Executives are registered under Section 10(1) of the German Limited Liability Company Act.

Similar provisions are in force in Austria.

British law requires the registration of the names of the initial Directors and Secretaries of a company upon the establishment of the company. Any change in such persons shall be subject to registration in the Companies Register (Section 380 of the Companies Act).[3]

Legal provisions in most of the Western European countries are similar as such issue is subject to the approximation of legal forms (so-called legal integration) in the European Union.

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[3] See Thomas, C.: Company Law, 5th edition, Hodder & Stoughton Ltd, London 1996, p. 23 and p. 152

Out of a total of 13 directives that has so far been adopted by the European Union to harmonise company law regulations, a majority of them is at least partially concerned with commercial and company registration issues.

The obligation to publish details on who represents a company is set out in the first directive of the EC Council No. 68/151/EEC of 9 March 1968 relating to publicity. It mainly involves so-called formal publicity and the directive includes details to be entered on an obligatory basis which are related to the articles of association (memorandum of association), including company bodies and any alterations thereto. First and foremost, it is necessary to publish the name of the person or body having authority to act on behalf of the company. The above mentioned details must be submitted to the register which shall publish them. A similar regulation is also applicable in Poland and Hungary.

But how can one prove to a Czech registration court that identified persons are authorized to act on behalf of a company if there

is no duty to enter the statutory body in a public register?

According to Czech law, an application for entry in the commercial register shall be accompanied by documents testifying to the facts that are to be entered in the commercial register (Section 31(2) of the Commercial Code) and *the court shall decide on such entry without any hearing* (Section 200b of the Civil Procedure Code).

For that reason. ABC's Executive Secretary submitted a document, signed by him before a Czech Notary, in which he confirmed that certain persons were members of the Board of Directors of ABC and the powers of the Board of Directors of ABC under ABC's governing Operating Agreement.

Such written statement, taken under oath. is called a Sworn Statement or an Affidavit under American law, meaning a written or printed statement made voluntarily and affirmed by oath or certificate of a party making it and written before a person officially authorized to confirm the

making of statements under oath or such a certification.

In other words, such a sworn statement can also be characterised as a certification of the correctness, truth or authenticity in the form of an affidavit, oath or sworn testimony.

Such a sworn statement certifies the truth of the assertion. The value of the certification is that it puts at risk the reputation of the certifying party.[4]

Such statement has a bearing on one of the most important principles of the Anglo-American law, i.e. the sacredness of oath, making the one who would wilfully state untrue details chargeable for perjury.

The difference between the American and Czech (or, more generally, the European) concepts regarding how one can establish with third parties that he can act in behalf of a business entity is substantial.

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[4] See Black, H.C.: Black's Law Dictionary, 6th edition, Victoria Publishing, Prague 1993, p. 425

If an American company of this kind intends to execute a legal act, typically to enter into an agreement with the other party, R.C. Clark[5] recommends, if a purchase agreement for a major part of the assets of a business is involved, that the vendor company shall produce the following documents at least:

1. A copy of the articles of association certified by a government officer and a certificate of existence and settlement of taxes also issued by a government authority;

2. An updated copy of internal regulations certified by the Secretary of the company;

3. A resolution of the board of directors approving the sale and a certificate made by the Secretary to the effect that the resolution was passed by a required majority of directors in a meeting duly convened with a quorum and that no other material

[5] See Clark, R: Corporate Law, Prague, Victoria Publishing, 1992, p. 60

decision affecting such resolution has been made since that meeting.

4. Various certificates attesting validity of certain signatures, the identity of particular management officers and the up-to-date nature of other documents.

Acting on behalf of the company under a submitted extract from the commercial register is more efficient as compared to production of the above referred required documents.

However, if one thinks of what was supplied to the Czech court in the instant case of replacement of directors in respect of the parent company by the parent company's secretary, i.e. a certified copy of the Operating Agreement confirmed by the company's secretary, a copy of the resolution of the board of directors, a secretary's certificate that the resolution was adopted by the required majority, then it is evident that, under U.S. law [the governing law under the Czech legal principles articulated in the opinion issued by the State and Law Institute of

the Academy of Sciences specifically in the instant case), such evidence should be quite sufficient for any dealings with Czech court or administrative bodies and should not have required either the opinion for the State and Law Institute or a subsequent appeal.]

As has already been indicated, the major problem of our commercial court process is the slowness of its response to an application for registration and, specifically, its requests for any additional information.

If the speed of an initial entry of a limited liability company in the Czech Republic is compared to that in the State of Delaware, the result is rather gloomy for the Czech Republic.

In the State of Delaware the regular period of registration of a limited liability company is up to 7 days.

However, organizations engaged in registration and other similar activities for business entities indicate that they are capable of having a company incorporated, at a surcharge, within 24 hours or 12 hours or even 2 hours.

A similar situation prevails in other states of the U.S.A and also in Europe where the proceedings before the French registration court takes up to five days.

Moreover, in the State of Delaware when a limited liability company is established, it is only necessary to pay a registration fee, produce a signed memorandum of association and complete a certificate of incorporation which only contains four items, the first being the name of the company (with an obligatory addendum of LLC), the second being the name and address of the registered agent of the company in the State of Delaware and the address of the registered office in the State of Delaware (the registered office typically being the address of a private business organization engaged in establishing and other ministerial services for companies and the registered agent of the registered company

usually being an employee of such organisation), the third being the date of winding up of the company if the company is not established with a perpetual existence, the fourth being any other particulars which the company wishes to have published, i.e. there is no requirement or indication that the company should make any further statements.

All of that is supplemented by the signature of a person described in the memorandum of association as a person acting on behalf of the company. The said documents are the only ones to be supplied to the registration authority.

There are several options for how we can provide for a reasonably quick process for entry in the Czech commercial register.

A principal question in this respect is whether and if the commercial register is to be maintained by a court.

There are several options of who and in which manner could maintain the commercial register.

The first option is to retain the current procedure. As a result of the currently planned reorganization of the judicial system and the abolition of regional commercial courts and high courts, the maintenance of the commercial register is expected to be transferred back to selected district courts.

A second option is to establish so-called registrators who would be linked to courts more closely than notaries and would register companies in the commercial register, as is the case in Spain and France, without the pretense of a judicial review of the underlying facts when, in fact, there is no hearing at which any perceived problem could be addressed an resolved. That option is advocated by Professor Irena Pelikánová.

A third option is a commercial register maintained by administrative authorities, i.e. bodies similar to trade licensing authorities or cadastral offices. However, in that case such authorities could not examine documents submitted to them by the parties in material

terms (i.e. from the point of view of their content) but only in formal terms. Any potential review of administrative decisions would be dealt with only by courts. That is the procedure in the United States, conserving judicial resources so that judicial remedies are quickly available to address actual cases and controversies rather than abstract issues, as here, where there was no actual case or controversy between any opposing parties.

Another option is a commercial register maintained by the Chamber of Commerce and Industry as is the case, e.g. in the Netherlands. In that country, the commercial register has been maintained by that Chamber since 1921, its role being legal and informative in classical terms. With annual fees paid by entrepreneurs, the Chamber remains independent from central and local government administration. Responsibility for the correctness and completeness of information supplied for registration is borne by the registering entities. Under this framework the Chamber plays a passive role as it is not entitled to amend the information set out in the register without any action by the registered entity.

Nevertheless, the Chamber does have certain powers whose scope is set out by law and whose aim is mainly to provide for the statutory quality of facts being registered. In addition, the Chamber will give notice to the registering entity of potential errors in the submission. Unless the registering entity remedies such errors upon demand of the chamber, the Chamber shall be obliged, despite the fact, to register the entity. The correction of the wrongly registered fact can be made through a court. However, the Chamber is entitled to cancel the registration of a legal entity in the Commercial Register, unless the registered office of such legal entity can be identified or the fee to the Chamber is paid as well as in some other cases set out by law. All entrepreneurs and legal entities engaged in business on the territory of the Netherlands are subject to registration in the Commercial Register, including associations and foundations that are subject to registration in a special register also maintained by the Chamber in the relevant region, as well as foreign legal entities. There is a sanction specified by law to the effect that if an entrepreneur infringes its reporting duty, it shall be liable to prosecution and in some

case to additional civil law proceedings. The Dutch Commercial Register is maintained as a public register, with anyone being entitled to make an inspection thereof. The information is provided in various form, e.g. by e-mail or over the telephone.

Specification of time limits for registration of certain facts in the commercial register is also an important issue. In Spain and France such periods are 5 days or one day at a surcharge.

For the time being, the amended version of the Czech Civil Procedure Code already passed by Czech Parliament and published under No. 30/2000 Coll. which is to become effective as of 1 January 2001 provides that pursuant to Section 200c(3) in proceedings relative to matters regarding the Commercial Register the court shall be obliged to take steps aimed at resolving the case within 15 days after the date of submission.

That already enacted first step should awaken our commercial registers from lethargy and improve the conditions of doing business in the Czech Republic.

Consideration of the foregoing, wider options, particularly use of the United States or Dutch practice, is also indicated if we want to develop an efficient legal system consistent with the speed required by the modern business world.

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

U. S. Motors, an unincorporated association, Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, U.S. Motors (SK), a.s., a Slovak joint stock company, and Joseph Levin,

Plaintiffs,

No. 07-CV-12901

Hon. Gerald E. Rosen

v

General Motors Europe, A.G., a Swiss corporation,

Defendant.
_____/

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AFFIDAVIT OF PETR KRATOCHVIL

September 4, 2007

AFFIDAVIT OF PETR KRATOCHVIL

I, PETR KRATOCHVIL, hereby attest to the truth of the following statements of fact and, if called to testify in this honorable court, I am able and willing to do so as a matter of my own personal knowledge.

1. I am a citizen of the Czech Republic residing at Brigadniku 127, Prague 10, Czech Republic, and the holder of the Czech degree, equivalent to a U.S. college degree, called a Diploma in Engineering [automotive manufacturer and design] from the Czech Technical University.

2. In January 1997, I and Karel Valenta, at the request of Joseph Levin, the Executive Secretary and Special Counsel of U.S. Motors under its Operating Agreements, agreed to serve on the governing board of U.S. Motors (CZ), a.s.

3. Employed by Sumitomo Corporation since 1977, I founded, in 1991, the subsidiary of Sumitomo [the holder of an exclusive right to import and distribute Nissan vehicles in Czechoslovakia] and directed its successful, 1991 launch of the importing, distribution, sales and servicing of Nissan vehicles in Czechoslovakia and its successful continuation in the Czech and Slovak Republics after the separation of Czechoslovakia into two separate nations at the end of 1992. I also founded and was the President of the Czech Association of Motor Vehicle Importers.

4. The senior GME Czech official, referenced in Sections 10, 25 and 32 of the Complaint, communicated to me, in January 1997, his strong approval of the selection of Karel Valenta and me to lead U.S. Motors (CZ) once we were elected to its governing Board.

5. The resolution of the internal confusion within U.S. Motors as to how to deal with the shock of the events described in Sections 24 – 31 of the Amended Complaint consumed most of 1997 before Joseph Levin, the Executive Secretary and Special Counsel of U.S. Motors under its Operating Agreements, was given, by the controlling Members of the Delaware companies, the ability to elect new leadership for U.S. Motors (CZ) which he promptly proceeded to do in January 1998 by electing us, two others recommended by us and a fifth highly approved by us.

6. The 17-month, January 1998 – May 1999 delay in Mr. Valenta, and the rest of the newly elected governing Board being able to act in behalf of U.S. Motors was a product of the cumbersome Czech legal procedure through which U.S. Motors' passage is authoritatively described in the law

journal article attached to the Valenta Affidavit on this date.

7. All through that 17-month period and, then, during the last seven months of 1999 --

> with our new, post-May 1999 capacity to enter into serious discussions with the owners of alternative dealership sites and secure both the architectural and the other services needed to produce a concrete and optimal facilities plan, including facilities like those shown on Pages 8 – 11 of the Valenta Affidavit

-- Mr. Valenta, Mr. Levin and I considered and explored the attractiveness and feasibility of a wide variety of sites, primarily in Prague but also in Brno, the second largest city in the Czech Republic, and in Bratislava, in

consultation with Petr Cintula, a Slovak member of the Plaintiff Delaware companies.

8. This exhaustive exploration of the best possible sites evolved, in the second half of 1999, to a focus on continuing U.S. Motors' planned business first with the unmatched [in Prague] Downtown Contact Point, Cadillac and Chevrolet sales facility photographed on Page 8 and the unmatched [in Prague] Cadillac, Chevrolet and Opel sales and service facility photographed and drawn on Pages 9 – 11 [superimposing planned signage on the existing facilities on Pages 8 - 9] of the Valenta Affidavit.

9. During that 17-month period and the rest of 1999, I kept the senior GME Czech official informed of our work in following through on his expressions to me, beginning in 1997 -- understandable in view of the events described in Sections 24 – 31 of the Amended Complaint -- that

- GME felt obligated to U.S. Motors,

- GME would be willing for U.S. Motors, with its new Czech leadership, to be dealers of Cadillac, Chevrolet and Opel vehicles in the Czech Republic and Slovakia, as planned in the detailed pre-November 1996, GMODC – GME – U.S Motors meetings, in which the senior Czech GME official was a major participant,

- GME would inform U.S. Motors how to get into that planned business [e.g., with a new Czech entity replacing U.S. Motors (CZ)] with premiums sites identified and developed with plans by U.S. Motors [replacing U.S. Motors' 1996 facilities], U.S. Motors' planning and other financing abilities, Mr. Valenta's and my Czech

management abilities and those GME-approved plans [including the dealer margins and vehicles, subject to their being exported to Europe, or their replacements exported to Europe] and work with such a U.S. Motors, just as he was working with me, in effectively a GME – U.S. Motors joint venture to make such a Cadillac, Chevrolet and Opel sales and service, U.S. Motors Dealership, with such luxury vehicle marketing, premium facilities happen.

10. During January 1998 – July 1999, Mr. Valenta, Mr. Levin and I examined the advantages and costs of numerous possible sites in Prague, Brno and Bratislava for dealership locations selling and servicing Cadillac, Chevrolet and, at least in Prague and Bratislava, Opel vehicles for submission to GME for its approval of such dealerships subject to U.S.

Motors subsequently obtaining complete financing as U.S. Motors had obtained in 1995 – 1996 and had closed such financing in November 1996.

11. We were not able to contract for such sites or otherwise represent to anyone any authority to act, under Czech law, until the election of Mr. Valenta and I to the governing Board of U.S. Motors (CZ) was registered in the Commercial Register by the Commercial Court in Prague

12. Intensive 1998 – May 1999 legal work by Mr. Levin to do so -- working with Czech lawyers including the author of a recognized compendium of Czech law who was also elected in January 1998 to the Board of U.S. Motors (CZ) -- is described in the English version of the article from P*ravnik* [Lawyer] attached to the Valenta Affidavit today.

13. After our election was finally registered in the Commercial Register in May 1999, the GME Czech official reiterated his advice that, in moving into our planned business as the dealers of Cadillac, Chevrolet and Opel vehicles, we should form a new Czech subsidiary of Plaintiff Praha Motors called "U.S.A. Motors."

14. Pursuant to that advice, Mr. Levin, in consultation with Czech counsel, drafted and Valenta and I signed, in Summer 1999, a Foundation Agreement for U.S.A. Motors which, we agreed, should be discussed with GME -- for any suggestions by GME before filing the Agreement and registering U.S.A. Motors with the Commercial Court -- in the expected meetings with GME in which we expected to submit and discuss our 1998 – 1999, in-process

and 2000-finalized, extensively detailed business plan including

a) a completely updated, comprehensive Forecast of all costs and expenses similar to the 2001 – 2007 Forecast attached to today's Affidavit of Joseph Levin and

b) alternative options to purchase prime locations for selling and servicing Cadillac, Chevrolet and Opel vehicles --

similar to the premium facilities GMODC and GME approved and U.S. Motors acquired in 1996

-- subject to U.S. Motors obtaining complete financing of all the capital and operating costs of such sales and service facilities and their operations and related expenses [detailed in the Forecast] similar to the comprehensive equity capital and Czech bank financing which U.S. Motors obtained and closed in 1996.

15. Extensive work on a wide variety of sales and service sites, seriously considered in 1998 – 1999, evolved by early 2000 to architectural plans and reliably estimated costs for

a) one of them to be the Downtown Contact Point for selling Cadillac and Chevrolet vehicles, partly rendered on Page 8 of the Valenta Affidavit, located on a street right off the world-famous and, locally, most highly frequented, Wenceslaus Square [then selling another make as shown on that page], the most attractive motor vehicle showroom site in Prague, and

b) the second to be the Cadillac – Chevrolet – Opel sales and service center, partly rendered with floor and site plans on the succeeding three pages of that Affidavit.

16. Mr. Velenta and I successively reviewed, during 1998 – 2000, the basic numbers now in the June 2001 Report and Forecast and found them, based on our own extensive commercial experience, to be conservative and realistic assuming the planned financing for, and planned acquisition of, such conspicuously premium facilities clearly understood by GMODC and GME, as evidenced by their approval of U.S. Motors' 1996 facilities, to be highly instrumental in marketing and, especially, introducing such luxury vehicles in a new market.

17. We further reviewed with Mr. Levin, in April - May 2000, the entire U.S. Motors presentation of our comprehensive business plan delivered by Mr. Levin to GME and its principal, General Motors Corporation, as he informed us, in May – November 2000 and, as he communicated to us, in June 2001 prior to the July 13, 2001 letter

from Mr. Lacey referenced in Section 49 of the Amended Complaint.

18. Until the July 13, 2001 letter from Mr. Lacey stating that he had reviewed the June 2001 materials with the General Motors Corporation [GM] officials contacted by Mr. Levin in Detroit, including

a) the GME Executive referenced in Sections 12 – 14, 16, 18 and 21 – 22 of the Amended Complaint and

b) the Senior Vice-President and General Counsel of GM referenced in Sections 42 – 43 of the Amended Complaint,

and that neither of them wished to discuss the matter further, the customary conduct, expectation and relations between Czech business and non-Czech businesses would not suggest such an outcome and, of course, much less that GM and GME would deny a

reasonable opportunity, in the dialogue of a meeting process in which numbers and thoughts can be uniquely nailed down and differences overcome, to develop a joint course of action by GM, GME and U.S. Motors honoring their mutually developed business plans and all of the resources which produced them to introduce GM North American vehicles effectively in our new, pro-American markets.

Prague, Czech Republic September 4, 2007

PETR KRATOCHVIL

s/

Petr Kratochvil

Ověřeni – legalizace
Běžné číslo ověřovaci knihy: 0 (handwritten)
4744/2007
Ověřuji, že .....Petr Kratochvil
.....(handwritten notations).....
Je...(handwritten notation)..totožnost byla zjištěna z úředniho prükazu, tuto
listinu přede mnou vlastnoručně podepsal.

V Praze dne (handwritten) 09.09.2007

/s/

Mgr. Alexandra Červová
Trvalý zátupce
JUDr. Blanky Čechové
Notářky se sídlem v Praze

(seal)

AFFIDAVIT

I, Marek Czivis, hereby attest to the truth of the following statements of fact and state that, if called to testify to them in a court of law, I am willing and able to do so as a matter of my own personal knowledge:

1. I am a lawyer, authorized to practice law in the Czech Republic, who has served since 1998 as Czech legal counsel to U.S. Motors, the unincorporated association of Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, and including U.S. Motors (CZ), a.s., a Czech joint stock company until it was removed from the Commercial Register by the Commercial Court in Prague in 2004.

2. I reviewed on July 11, 2007, a Czech translation of a Complaint filed, as I was informed, on July 10, 2007, in the United States District Court for the Eastern District of Michigan [Case 07-12873] in behalf of those companies including U.S. Motors (CZ).

3. I advised U.S. Motors that U.S. Motors (CZ) had been removed by the Commercial Court from the Commercial Register in 2004, that Czech law bars action anywhere in behalf of a Czech company not registered in the Commercial Register at the time of the commencement of the action and Case 07-12873 had to be dismissed on July 11, 2007, and a new action [Case 07-12901], without U.S. Motors (CZ) a party, filed on July 11, 2007, to cure the violation of Czech law.

/s/Marek Czivis
Marek Czivis

August 8, 2007
Prague, Czech Republic

Notář provedením legalizace neodpovídá za obsah Listiny a pravdivost údajü v ni evedených.
Běžné číslo ověřovaci knihy: O III 4526-4527/2007
Po prokázání totožnosti platným úřednim prükazem
Ověřuji provost podpisu/ü na této listině, kterou přede mnou
Vlastnoručně podepsal(i,a):
Mgr. Marek CZIVIŠ, nar. 12.3.1970, r,č, 700312/0069,
Bytem Praha 6 – Bubeneč, Terronská 813/31.----------
Praha 9, srpna 2007

s/JUDr. LUDMILA JEDLIČKOVÁ
notářka v Praze
Praha 3, Milešovská

(seal)

APOSTILLE
(Convention de La Hay du 5 octobre 1961)

1. Ceská republika
   Czech Republic
   Tato veřejná listina JUDr. Ludmila Jedličková
   This public document
2. Byla
   podepsána.....
   has been signed
3. jehož
   funkce.....
   acting in the capacity of JUDr. Ludmila Jedličková

4. opatřena
razitkem.....
bears the seal/stamp of notářka v Praze

.....

OVĚŘENO
CERTIFIED

5. V Praze
At Prague

6. dne 9.8.2007
date

7. Ministerstvo spravedlnosti ČR
Ministry of Justice of the Czech Republic

8. čís...../2007
N

9. kolek/razitko:

10. Podpis: Alena Leitnerová
Duty stamp/stamp:
Signature/s/

(seal)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

U. S. Motors, an unincorporated association, Praha Motors, L.L.C., and Bratislava Motors, L.L.C., Delaware limited liability companies, U.S. Motors (SK), a.s., a Slovak joint stock company, and Joseph Levin,

Plaintiffs,

No. 07-CV-12901

Hon. Gerald E. Rosen

v

General Motors Europe, A.G., a Swiss corporation,

Defendant.
_____/

Joseph Levin
P16604
Attorney For Plaintiffs
2806 Cambridge Road
Detroit, Michigan 48221
313-892-8581

James P. Feeney
P13335
Benjamin W. Jeffers
P57161
Attorneys for Defendant
Dykema Gossett, PLLC
4000 Renaissance Center
Detroit, Michigan 48242
313-548-4340

AFFIDAVIT OF JOSEPH LEVIN

September 4, 2007

I, Joseph Levin, a Member of the Bar of this honorable Court, hereby attest to the truth of the following statements of fact and, if called to testify, will, with interrogation by co-counsel, be willing and able to testify to their truth as a matter of my own personal knowledge.

1. All of the statements of fact in Sections 1 – 3, 5, 7, 9, 11, 13 – 19, 21 – 24, 26 – 31, 33 – 34, 36 – 37, 39 - 43, 45 – 49 of the Amended Complaint are known by me to be true except that

a) the status of U.S. Motors (SK) is based on a report to me last month by its owner/controlling officer in Bratislava,

b) the statement by the GM Europe Executive Vice-President For Marketing, Sales and Aftersales, quoted in Section 14, was related to me by Mr. Halbach,

c) the initial ready agreement of the Chairman of GM to meet with me and review the U.S. Motors business plans, in Section 39, was related to me by Mr. Halbach and

d) November 1, in Section 27, should read November 4 and October 31, in Sections 42 and 43, should read November 2.

2. In the Zurich, November 2, 2002, meeting with the General Counsel of GM and the GME Regional Vice-President, there was an expressed agreement between all three of us that the GME Regional Vice-President would, in Prague, view our U.S. Motors comprehensive, video presentation [brought to the Zurich, November 2 meeting at which there was no time for it] and sit down with me at a table and review with me the specifics of our business plans.

3. Throughout the rest of November through mid-December 2000, I worked on further materials, supporting the U.S. Motors Business Plan, at my office and bedroom in Prague and repeatedly telephoned the office of the GME Regional Vice-President to arrange a time convenient for him for the thorough meeting promised by him and by the GM General Counsel.

4. I have never had any business interest in Prague other than U.S. Motors.

5. The forecast elements in the attached Report and Forecast are a product of several years of full-time work in which all numbers since Spring 1993 and in which all assumptions have been regularly verified with experienced GMODC, Czech and Slovak automotive sales and service executives and with all available published market data.

s/Joseph Levin
Joseph Levin P16604
Attorney For Plaintiffs
2806 Cambridge Road
Detroit, Michigan
313:892-8581

SUMMARY OF CATEGORICAL TOTALS ON PAGES 1 - 24 OF THE ANNUAL COMPILATIONS OF MONTHLY FINANCIAL FORECASTS
WITH CADILLAC, CHEVROLET AND OPEL AT THE SALES AND SERVICE CENTER [PROPOSED FACILITIES, SCREENS I - II]
WITH ONLY CADILLAC AND CHEVROLET AT THE DOWNTOWN SHOWROOM DIRECTLY FACING MERCEDES [PROPOSED FACILITIES, SCREENS I - IV]
ASSUMING GM NORTH AMERICAN VEHICLE UNIT SALES LESS THAN THOSE FOUND REASONABLE BY GMODC, GMODC'S REGIONAL DIRECTOR IN JULY AND SEPTEMBER 1995 MEETINGS
AND BY COOPERS & LYBRAND IN A MARCH 1995 REPORT TO ITS CZECH CLIENT BANK OF WHICH C&L WAS THE MONITORING AUDITOR,
[AFTER EXCLUDING MODELS IN THE MARCH 1995 LINE-UP DISCONTINUED BY GMODC WITHOUT ANY REPLACEMENT MODEL],
WHEN THE CZECH IMPORTED VEHICLE MARKET WAS HALF ITS CURRENT SIZE,
AND OTHERWISE BASED ON VEHICLE UNIT SALES AND SERVICE GROSS REVENUE AND EXPENSES AND RESULTING NET INCOME
ACTUALLY EXPERIENCED AT THE PROPOSED FACILITIES IN SELLING AND SERVICING LESS POPULAR VEHICLES
AND 1993 - 2000 ANNUAL OR MORE FREQUENT CONSULTATIONS WITH GMODC, EUROPEAN AND CZECHOSLOVAK-EXPERIENCED, PREMIUM IMPORTED VEHICLE MARKETING EXECUTIVES

		CASES IN ENCLOSED COMPILATIONS OF MONTHLY FORECASTS	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
1	GROSS REVENUE	1 - 183	28,815	733,819			32,462,696	41,798,023	48,582,303	56,958,616	64,077,636	243,880,275	243,937,090
2	GM American Unit Sales Below Those Found Reasonable By Coopers & Lybrand In A March 1995 Report To Its Client Bank, By GMODC And, In July and September 1995 Meetings Held On This Subject, By GME's Regional Director Assuming Use Of The Planned Margin To Provide Premium Facilities, Intensive Dealer Marketing And Service, Continuous Professional Training And Highly Experienced Professional Management	20					14,103,981	18,479,742	23,884,109	29,908,284	33,994,791	120,950,916	120,977,731
3	Opel Vehicle Sales Based On Unit Sales, At The Proposed Sales and Service Center With Less Popular Brands And Without The Renovations Depicted On Enclosed Proposed Facility Screens I - II	99					10,297,379	11,597,503	12,546,175	14,469,308	15,148,403	65,456,818	65,458,818
4	Parts, Service And Accessories	169					1,801,788	2,327,460	2,488,931	2,570,280	2,950,181	11,918,660	11,918,660
5	Premium Pre-Owned Car Park						5,998,979	7,992,849	8,757,080	9,833,088	10,853,010	43,182,984	43,182,984
6	Fees, Commissions and Interest	181 - 182					322,580	410,369	488,839	576,863	660,249	2,458,919	2,458,919
7	NET DIRECT INCOME	1 - 185	(59,972)	(1,512,487)			3,534,361	6,029,894	6,886,228	8,192,304	9,214,741	33,847,429	33,798,506
8	INDIRECT EXPENSES	189 - 815	512,251	14,018,271	1,362,832	35,412,702	4,877,023	5,213,460	5,539,186	5,957,127	6,047,033	28,908,791	28,418,033
9	Advertising, Sales Staff and Other Marketing Plus 1995-Committed Brand Launch Advertising In The 1995 GMODC Budget Of GMODC Funds, Fundable Over Time From The Planned Distributor Margin Retained Now By GME With The Basic Distributor Costs Paid From The Dealer Margin	425			401,833	10,356,338	2,130,417	2,321,772	2,564,139	2,796,912	2,960,948	13,212,299	13,212,299
		220			191,867	7,879,982	2,166,833	1,378,934	1,229,760	988,233	489,832	6,060,220	6,060,220
10	Total Marketing / Each Sold GM American Vehicle	426					6,342	5,215	4,374	3,482	3,142	4,816	4,816
11	Financing *	484 - 488	512,251	14,018,271	189,867	7,967,881	675,187	958,786	887,812	747,291	526,127	4,308,848	4,818,100
12	Service Management, Service Administration	430 - 453			137,319	5,502,223	708,883	743,742	780,277	818,912	856,689	4,047,503	4,047,503
13	Building Facility Operating Costs	454 - 483			78,029	3,128,533	192,728	228,827	249,074	271,772	297,376	1,317,804	1,317,804
14	General Insurance	467 - 471			35,084	1,405,763	122,836	149,862	169,766	194,427	216,561	868,361	868,361
15	Basic Distributor Costs	472 - 474			72,000	2,884,988	160,005	100,940	118,134	138,976	153,609	770,432	770,432
16	General Management	802 - 813			385,157	14,831,466	699,807	803,475	873,903	991,791	1,096,439	4,766,533	4,766,533
17	Percent of Gross Revenue	814					2.0%	1.9%	1.8%	1.7%	1.7%	2.0%	2.0%
18	NET OPERATING INCOME (LOSS)	816	512,251 (571,174)	14,018,271 (15,530,757)	(1,362,832)	(35,412,702)	(1,382,662)	816,415	1,357,042	2,235,077	3,167,709	4,940,648	4,380,473
19	Percent of Gross Revenue	817					-4.2%	2.0%	2.8%	4.1%	4.9%		
20	REAL PROPERTY AND EQUIPMENT AND OTHER CAPITAL COSTS	818 - 869	8,516,071	288,473,917	8,740,436	350,230,548	350,442					9,090,879	17,815,950
21	NET CASH FLOW BEFORE ANY INCOME TAX	870	(1,199,607)	(38,770,360)	(10,123,368)	(405,833,248)	(1,712,104)	816,415	1,357,042	2,235,077	3,167,709	(4,159,231)	(5,364,636)

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	CONTINUATION OF SUMMARY OF PAGES 1 - 24 OF THE ENCLOSED ANNUAL COMPILATIONS OF MONTHLY FORECASTS	LINES IN ENCLOSED COMPILATIONS OF MONTHLY FORECASTS	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2002 - 2007 TOTALS	1995 - 2007 TOTALS
21	CZECH INCOME TAX												
22	Tax Loss Carryforwards	701			(8,574,884)	(286,088,404)	(8,878,518)	(11,018,069)	(8,858,937)	(5,419,738)	(2,374,707)		
23	*Expiration of Tax Loss Carryforwards*	705			84,304	3,377,871	524,224	564,133	3,298,569	926,378			5,398,628
24	Taxable Income (Loss) in The Current Period	704			(1,487,828)	(59,615,787)	(1,564,761)	597,988	1,138,813	2,118,848	2,848,280	3,748,830	3,748,830
25	Accumulated, Available Tax Loss	709	(8,574,884)	(286,088,404)	(8,878,518)	(286,826,267)	(11,018,069)	(9,858,937)	(5,419,738)	(2,374,707)	574,573		
26	CONTRIBUTIONS, LOANS, DEFERRALS AND ADJUSTMENTS	670-679	(7,375,387)	(259,316,011)									
27	FINANCING DRAWS	679	1,199,607	39,770,393	10,223,368	408,840,148	2,177,152	311,879	277,341	199,888	89,501		
28	FINANCING REPAYMENTS	680					465,047	1,129,393	1,834,383	2,504,745	3,253,280		
29	1998 LIQUIDATION OF BALANCE ON 1998 BANK FINANCING	681	1,199,607	39,770,393									
30	OUTSTANDING BALANCES	682			10,223,368	408,840,148	11,835,473	11,119,088	8,762,016	7,438,539	4,258,231		
31	NET (INVESTMENT OF) AND BENEFITS TO 2001 INVESTOR / LENDER	729			(10,024,512)	(401,672,157)	(758,144)	1,777,941	2,234,444	3,068,090	25,202,275	21,503,094	20,282,174
32	Draws On Financing	723			10,223,368	408,840,148	2,177,152	311,879	277,341	199,888	89,501	13,245,059	3,900,000
33	Interest Payments	724			198,857	7,967,991	955,960	961,526	977,402	734,013	513,182	4,240,920	4,258,231
34	Principal Repayments	725					465,047	1,129,393	1,834,383	2,504,745	7,512,491	13,245,059	
35	Valuation of Future Dealership Income Pursuant To Formula On Line 729	729										20,282,174	
	Payment In 2007 To Opel Dealers With Relevant Areas of Responsibil	727										3,000,000	
	Retirement Of All Debt To The Owner / Lender From That Line 729 Val	699										4,258,231	

	RATES OF RETURN COMPUTED MONTHLY IN THE UNDERLYING FORECASTS AS AN INTERNAL RATE OF RETURN ON THE MONTHLY INVESTMENTS AND BENEFITS	SUPPORTING LINES in ANNUAL AND MONTHLY FINANCIAL FORECASTS	
36	Rate of Return Only On GM's Financial Interests Directly In The Dealership	723 - 730	27%
37	– Adjusted To Remove The Income, Gains, Operating Expenses and Capital Costs of Opel Sales And Service	731	16%
38	Rate of Return Taking Into Account GME's Distributor Margin With The 1993 - 1995 GMODC Approved Basic Distributor Costs Included In This Dealer Forecast To Be Covered By The Dealer Margin	738	41%
39	– Adjusted To Remove The Income, Gains, Operating Expenses and Capital Costs of Opel Sales And Service	738	34%
40	Rate of Return Even After Deducting From The Distributor Margin The 1996 GMODC Brand Launch Advertising Campaign In GMODC's October 20, 1995 Confirmed Budget From GM Funds	739 - 741	32%
41	– Adjusted To Remove The Income, Gains, Operating Expenses and Capital Costs of Opel Sales And Service	742	24%
42	Rate of Return Even After Returning The Entire $8.5 Million Invested Prior To 2001 Contingent Upon GM First Realizing At Least A 15% Return On GM's Total Cash Investment In Distributing These Vehicles	745	27%
43	– Adjusted To Remove The Income, Gains, Operating Expenses and Capital Costs of Opel Sales And Service	746	18%

SUMMARY OF CATEGORICAL TOTALS ON PAGES 25 - 28 OF THE ANNUAL COMPILATIONS OF MONTHLY FINANCIAL FORECASTS OF EXCLUSIVELY OPEL SALES AND SERVICE
BASED ON ACTUALLY EXPERIENCED VEHICLE UNIT SALES AND SERVICE GROSS REVENUE AND EXPENSES
IN SELLING AND SERVICING LESS POPULAR VEHICLES AT THE PROPOSED FACILITIES
WITH ADJUSTMENTS FROM PAGES 1 - 24 OF THE ANNUAL COMPILATIONS OF THE MONTHLY FINANCIAL FORECASTS

Actually Experienced Unit Sales and Costs At The Proposed Facilities Plus Marketing and Other Indirect Expenses Based Upon 1993 - 2000 Annual Or Mid-Year Prospect Contributions With GMODC, European and Coachwork Experienced, Premium Imported Vehicle Marketing Executives	LINES to ENCLOSED COMPILATIONS OF MONTHLY FORECASTS	MAY 1994 - AUGUST 2001 U S DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U S DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
1 ADJUSTED GROSS REVENUE	747 - 750					19,504,000	21,128,000	23,480,464	26,250,000	29,750,001	117,000,000	117,000,000
2 ADJUSTED NET DIRECT INCOME	750 - 771	(40,343)	(1,013,457)			1,855,367	2,100,000	2,399,921	2,856,247	4,227,000	13,300,000	13,300,000
3 INDIRECT EXPENSES	772 - 800			702,834	20,100,000	2,104,000	2,101,167	2,336,412	2,305,000	2,347,223	11,800,233	11,800,233
4 Advertising, Sales Staff and Other Marketing	772 - 780			77,395	2,007,331	731,000	650,000	728,952	782,444	800,488	3,800,884	3,800,884
5 Expenditures For Marketing Each Sold Opel	780					340	327	301	300	300	500	500
6 Service Management And Other Service Indirect Expenses	780 - 787			11,401	400,000	137,401	144,700	151,900	159,502	168,570	772,302	772,302
7 Financing	800			592,400	14,300,100	800,122	840,010	490,500	340,030	330,300	2,000,401	2,000,401
8 Facility Cleanliness and General Insurance	800, 810 - 811			80,000	3,407,300	342,000	359,300	312,000	342,000	371,000	1,842,010	1,842,010
9 General Management and Administration	812 - 840			171,100	6,000,070	432,740	504,300	562,012	602,600	720,404	3,110,300	3,110,300
10 As A Percent of Gross Revenue	840					2.2%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
11 NET OPERATING INCOME (LOSS)	851			(702,834)	(20,100,000)	(680,401)	1,000,000	1,000,112	1,000,370	1,000,370	4,300,040	4,300,040
12 As A Percent of Gross Revenue From New and Pre-Owned Vehicle Sales, Parts & Service Commissions, Fees and Interest	852					-3.5%	4.8%	4.8%	0.5%	0.5%		
13 CAPITAL COSTS	857	7,300,004	200,073,017	6,000,440	221,100,007	151,000					6,072,130	6,072,130
14 NET CASH FLOW BEFORE ANY INCOME TAX	859			(6,233,079)	(240,322,000)	(733,100)	1,000,000	1,000,112	1,000,370	1,000,370	(1,300,467)	(1,300,467)
15 TAXABLE INCOME AND CZECH INCOME TAX												
16 Tax Loss Carryforwards	859			(5,074,004)	(140,301,491)	(6,230,704)	(8,430,271)	(7,997,000)	(6,647,300)	(1,304,000)		
17 Expiration of Tax Loss Carryforwards	860			24,304	3,277,571	834,224	804,133	3,399,000	800,270		5,300,000	5,300,000
18 Taxable Income (Loss) In The Current Period	862			(700,000)	(30,010,000)	(804,740)	000,004	1,021,710	1,414,000	1,142,001	3,012,000	3,012,000
19 Accumulated, Available Tax Loss *	864	(5,074,004)	(140,301,491)	(5,300,704)	(171,030,000)	(6,430,272)	(7,997,000)	(3,947,300)	(1,304,000)	437,210		
20 FINANCING DRAWS	867			6,233,079	240,322,000	1,000,771	000,210	301,210	300,007	100,770	2,002,010	2,002,010
21 FINANCING REPAYMENTS	868			000,402	1,330,040	1,021,427	1,701,253	2,047,100			7,300,000	7,300,000
22 OUTSTANDING BALANCE	869			6,233,079	240,322,000	6,000,107	5,000,000	4,720,040	3,100,007	1,300,427		
23 NET (INVESTMENT OF) AND BENEFITS TO INVESTOR / LENDER												
24 Draws On Financing	840			6,233,079	240,322,000	1,000,771	000,210	301,210	300,007	100,770	2,002,010	2,002,010
25 Interest Payments	841			300,400	14,300,100	000,122	040,010	400,004	340,000	300,300	2,000,401	2,000,401
26 Principal Repayments	842					000,400	1,330,040	1,021,427	1,701,250	2,002,040	0,002,010	0,002,010
27 Valuation of Future Income Pursuant To Formula On Line 723 With Payment On Line 724 To Opel Dealers And Outstanding Balance, Deducted From The Sale Price In The Valuation, Being Result From That Value To The Owner / Lender	844										12,000,700	12,000,700
28 Total Benefits Prior To Any Payments To Current Opel Dealers				300,400	14,300,100	1,410,704	1,772,007	1,077,201	3,100,070	3,001,000	20,724,104	20,724,104
29 Net Benefits Prior To Any Payments To Current Opel Dealers				(5,000,010)	(230,000,000)	(100,007)	1,070,700	1,010,004	1,001,014	3,000,170	10,132,100	10,132,100
30 Alternative Payment # 1 To Opel Dealers In April 2007*	845										1,000,000	1,000,000
31 Net (Investment of) And Benefits To Investor / Lender	846			(5,000,010)	(230,000,000)	(100,007)	1,070,700	1,010,004	1,001,014	10,000,040	14,132,100	14,132,100
32 Rate of Return Computed Monthly	847										29%	
33 Alternative Payment # 2 To Opel Dealers In April 2007*	848										3,000,000	3,000,000
34 Net (Investment of) And Benefits To Investor / Lender	849			(5,000,010)	(230,000,000)	(100,007)	1,070,700	1,010,004	1,001,014	14,000,040	13,132,100	13,132,100
35 Rate of Return Computed Monthly	850										28%	
36 Alternative Payment # 3 To Opel Dealers In April 2007*	851										3,000,000	3,000,000
37 Net (Investment of) And Benefits To Investor / Lender	852			(5,000,010)	(230,000,000)	(100,007)	1,070,700	1,010,004	1,001,014	13,000,040	12,132,100	12,132,100
38 Rate of Return Computed Monthly	853										27%	
39 Rate of Return After Returning 60% Of $8.5 Million Invested During 1993 - 2000 In Reliance Upon GM Entity Agreements Subject To GM First Realizing A 15% Rate of Return	856										15%	

MAY 1994 - AUGUST 2001 REPORT AND FORECAST AND SEPTEMBER 2001 - MARCH 2007 FORECAST
INCLUDING
ANNUAL COMPILATIONS OF MONTHLY SEPTEMBER 2001 - MARCH 2007 FORECASTS FOR THE PRAGUE, START-UP PORTION
OF THE BUSINESS PLANNED WITH GENERAL MOTORS OVERSEAS DISTRIBUTION CORPORATION IN 1993 - 1995
FOR THE SALE AND SERVICE OF CADILLAC AND CHEVROLET VEHICLES
AND
PLANNED WITH GENERAL MOTORS OVERSEAS DISTRIBUTION CORPORATION AND GENERAL MOTORS EUROPE IN 1996 - 1999
FOR THE SALE AND SERVICE OF CADILLAC, CHEVROLET AND OPEL VEHICLES
IN THE CZECH REPUBLIC AND SLOVAKIA

	AUG 2001 FORECASTS BASED ON MARKET UNIT SALES AND PRICES AND DELETING COLUMNS AND PAGES FORECASTING ANY EXPANSION OF THE BUSINESS BEYOND PRAGUE	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1998 - 2007 TOTALS
	0250 GM AMERICAN VEHICLE UNIT SALES AND VEHICLES ACQUIRED THROUGH LEASE-FINANCING FOR DEMONSTRATION SERVICE AND ADMINISTRATION											
1	TOTAL NEW GM AMERICAN VEHICLES PURCHASED THROUGH UBAM	5	5	20	20	530	720	885	1,020	1,104	4,257	4,302
2	CUMULATIVELY	5	5	25	25	561	1,280	2,170	3,190	4,302		
3	VEHICLES ORDERED FROM GM MILITARY VEHICLES OPERATION	5	5									5
4	CUMULATIVELY	5	5	5	5	5	5	5	5	5		
5	UNITS ORDERED FOR TYPE-ACCEPTANCE, DEMONSTRATION, SERVICE, GM AMERICAN SALES MANAGERS AND UBAM SENIOR ADMINISTRATIVE STAFF, ACQUIRED BY UBAM THROUGH VALUE AMORTIZING, LEASE-TYPE FINANCING	4	4	33	33	29	30	30	30	30	120	157
6	CUMULATIVELY	4	4	84	84	44	84	84	104	134		
7	VEHICLES SOLD TO GOVERNMENTAL UNITS	1	1									1
8	EXECUTIVE, SPECIAL MARKET MANAGER AND PRAGUE SHOWROOM SALES	1	1	1	1	1	1	1	1	1		
9	UNIT SALES EXCLUDING DEMONSTRATION / SERVICE AND GM MVO VEHICLES					510	700	885	1,020	1,084	4,177	4,177
10	CUMULATIVELY					510	1,205	2,090	3,110	4,177		
11	EXECUTIVE, SPECIAL MARKET MANAGER AND PRAGUE SHOWROOM SALES	1	1			510	700	885	1,020	1,084	4,177	4,178
12	CUMULATIVELY	1	1	1	1	511	1,210	2,091	3,094	4,178		

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Note. The Satellite Dealer Lines [Lines 12 - 18] have been omitted from this page in this Forecast which omits the satellite dealer portions of the Forecasts in the GMODC/GME 1995 approved business plan and forecasts

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	GMOOC/GMF PRICE METHOD FOR COMPUTING COMPETITION-MEETING RETAIL PRICES, DEALER'S AND DISTRIBUTOR'S MARGINS, VAT, CUSTOMS AND RESULTING TRANSFER PRICE (COST, INSURANCE AND FREIGHT (C.I.F.)) FOR NON-GOVERNMENTAL SALES OF NEW GM AMERICAN VEHICLES REVIEWED AND REVISED IN GMOOC/GMF JULY - DECEMBER 1990 MEETINGS ON WHAT BASES U.S. MOTORS COULD PROCEED TO CLOSE ITS MAY 1990-SIGNED, FOUR-YEAR, COMPREHENSIVE, CZECH BANK FINANCED DURING 1990	MAY 1990 - AUGUST 3991 U.S. DOLLARS	MAY 1994 - AUGUST 3991 CZECH CROWNS	SEPTEMBER 3991 - MARCH 3992 U.S. DOLLARS	SEPTEMBER 3991 - MARCH 3992 CZECH CROWNS	FIRST SALES YEAR APRIL 3992 - MARCH 3993	SECOND SALES YEAR APRIL 3993 - MARCH 3994	THIRD SALES YEAR APRIL 994 - MARCH 3995	FOURTH SALES YEAR APRIL 3996 - MARCH 3996	FIFTH SALES YEAR APRIL 3996 - MARCH 3997	3991 - 3997 TOTALS	1990 - 3997 TOTALS
19	GROSS AVERAGE U S MOTORS GM AMERICAN VEHICLE RETAIL PRICE	N/A	N/A			27,333	27,475	27,623	29,420	31,703	28,090	28,990
20	GROSS REVENUE ON NEW GM AMERICAN VEHICLE SALES	26,016	733,016			14,103,991	18,478,742	23,894,106	39,606,394	33,894,701	129,360,816	139,877,731
21	22% VALUE ADDED TAX AS A PERCENTAGE OF THE FINAL RETAIL PRICE	N/A	N/A			18.03%	18.03%	18.03%	18.03%	18.03%	18.03%	18.03%
22	22% PRE-VAT RETAIL REVENUE PERCENT OF GROSS RETAIL REVENUE	N/A	N/A			81.97%	81.97%	81.97%	81.97%	81.97%	81.97%	81.97%
23	AVERAGE 22% VALUE ADDED TAX ON THE PRE-VAT RETAIL PRICE	N/A	N/A			4,829	4,994	4,981	5,305	5,663	5,222	5,222
24	VALUE ADDED TAX PAID ON SALES OF NEW GM AMERICAN VEHICLES	N/A	N/A			2,543,341	3,912,740	4,303,774	8,371,186	6,124,788	21,810,821	21,810,821
25	NEW GM AMERICAN VEHICLE PRE-VAT RETAIL PRICE REVENUE	N/A	N/A			11,560,649	14,567,001	19,590,334	34,187,126	27,030,893	98,140,000	98,140,000
26	AVERAGE GM AMERICAN VEHICLE PRE-VAT RETAIL PRICE	N/A	N/A			22,404	22,920	22,642	24,113	25,653	23,736	23,736
27	USAH NATIONAL GM AMERICAN VEHICLE DEALER MARGIN ON PRE-VAT PRICE	N/A	N/A			15%	15%	15%	15%	15%	15%	15%
28	AVERAGE 15% NATIONAL DEALER MARGIN ON NEW GM AMERICAN VEHICLES	N/A	N/A			3,361	3,373	3,396	3,617	3,852	3,560	3,560
29	GROSS REVENUE FROM NATIONAL DEALER MARGIN ON PRE-VAT RETAIL PRICE	N/A	N/A			2,080,810	2,674,080	3,523,360	4,353,603	6,011,160	17,643,217	17,643,217
30	MILAND FREIGHT NOT INCLUDED IN GMOOC COST, INSURANCE AND FREIGHT	N/A	N/A			91,289	73,105	92,900	111,663	130,710	494,666	494,666
31	AVERAGE MILAND FREIGHT ON GM AMERICAN VEHICLES NOT INCLUDED IN CIP					80	105	107	112	110	100	100
32	COST, INSURANCE AND FREIGHT (CIF), DISTRIBUTOR'S MARGIN AND DUTIES	65,720	2,348,309			9,429,640	13,018,779	16,887,170	10,721,901	32,709,376	80,840,002	80,839,760
33	AVERAGE CIF, DISTRIBUTOR'S MARGIN AND DUTIES / GM AMERICAN VEHICLE	N/A	N/A			16,272	16,384	16,489	16,663	20,044	16,384	
34	DISTRIBUTOR'S MARGIN ON LANDED COST (COST, INSURANCE/FREIGHT (CIF))	N/A	N/A			7%	7%	7%	7%	7%	7%	7%
35	7% DISTRIBUTOR'S MARGIN AS A PERCENTAGE OF LINE 32	N/A	N/A			0.94%	0.94%	0.94%	0.94%	0.94%	0.94%	0.94%
36	7% DISTRIBUTOR'S MARGIN ON COST, INSURANCE AND FREIGHT (CIF)	N/A	N/A			631,622	734,388	930,940	1,112,417	1,300,980	4,699,872	4,699,872
37	7% DISTRIBUTOR'S AVERAGE MARGIN ON THE LANDED COST (CIF)	N/A	N/A			1,031	1,238	1,041	1,109	1,181	1,060	1,060
38	REVENUE REMAINING AFTER DISTRIBUTOR'S MARGIN ON THE LANDED COST	65,720	2,348,309			8,898,018	12,288,390	15,956,229	16,608,144	21,422,494	76,290,160	76,289,888
39	17.1% CUSTOMS DUTIES AS A PERCENTAGE OF LINE 32	N/A	N/A			14.80%	14.80%	14.80%	14.80%	14.80%	14.80%	14.80%
40	17.1% CUSTOMS DUTIES ON THE LANDED COST (C I F)	N/A	N/A			1,370,620	1,801,360	2,331,870	2,870,891	3,210,366	13,211,169	13,211,169
41	17.1% CUSTOMS ON AVERAGE GM AMERICAN VEHICLE LANDED COST	N/A	N/A			2,000	2,602	2,666	2,871	3,054	3,160	3,160
42	AVERAGE GM AMERICAN VEHICLE TRANSFER PRICE (CIF OR LANDED COST)	N/A	N/A			14,573	14,849	14,722	15,662	16,704	17,274	17,266
43	GMOOC TRANSFER PRICE REVENUE (COST, INSURANCE AND FREIGHT (C.I.F.))	65,720	2,348,309			7,010,702	10,364,113	12,734,653	10,726,234	18,107,175	72,160,360	72,340,680
	GM MVO 1994-CONTRACTED / CURRENTLY ESTIMATED, NET DIRECT INCOME ON SALES TO CZECH AND SLOVAK GOVERNMENTAL UNITS											
44	VEHICLES DELIVERED AFTER SALE TO GOVERNMENTAL UNITS											
45	ESTIMATED AVERAGE GROSS PRICE OF GM MVO VEHICLES											
46	GROSS REVENUE FROM SALES OF VEHICLES TO GOVERNMENTAL UNITS	26,016	733,016									
47	DIRECT NET INCOME ON EACH VEHICLE ASSUMING A 5% USAH COMMISSION											
48	NET DIRECT REVENUE FROM SALES TO GOVERNMENTAL UNITS											

		MAY 1994 - AUGUST 2001 U. S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
	NET DIRECT INCOME ON SALES OF NEW GM AMERICAN VEHICLES PRIOR TO ANY SATELLITE DEALERS' RIGHTS TO ANY PORTION OF THAT INCOME											
49	NET DIRECT INCOME FROM NEW GM AMERICAN VEHICLE SALES WITH A NATIONAL DEALERS' 15% MARGIN CONFIRMED IN THE DECEMBER 1998 ORLANDO, FLORIDA GM/DOC/USAM MEETING WITH GM CORPORATE COUNSEL ON THE BASIS ON WHICH USAM COULD PROCEED TO CLOSE IN 1999 ITS FOUR YEAR, CZECH BANK, COMPREHENSIVE FINANCING [Line 39 Minus 39 Plus 48]	(56,923)	(1,812,467)			2,239,039	2,939,984	3,432,569	4,341,909	4,969,491	17,990,991	17,991,439
50	NET DIRECT INCOME SUPPLEMENTED BY THE DISTRIBUTOR'S MARGIN WITH A GM-CONTROLLED U.S.A. MOTORS PERFORMING ITS GM/DOC-AWARDED DISTRIBUTOR'S ROLE TERMINABLE AT WILL BY OPEL CA S AS THE IMPORTER [Line 49 Plus Line 38]	(56,923)	(1,812,467)			2,991,452	3,939,369	4,935,307	5,964,317	6,169,079	21,990,233	21,991,310
	SATELLITE DEALER-PARTNERS' FORECAST SHARES OF USAM MARGINS (CONTINGENT UPON THE DEVELOPMENT OF ANY FACILITIES BEYOND PRAGUE IN A DECISION TO BE MADE ENTIRELY IN THE DISCRETION OF GM ENTITIES IN THE LIGHT OF U.S.A. MOTORS' POST-1999 PERFORMANCE AND ANY OTHER FACTORS DEEMED RELEVANT BY THE GM ENTITIES)											
51	SKATELAVA DEALER-PARTNER'S SHARE OF USAM NATIONAL DEALER'S MARGIN											
52	SKATELAVA DEALER-PARTNER'S SHARE OF AVERAGE VEHICLE SALE MARGIN											
53	USAM RETAINED SHARE OF AVERAGE USAM VEHICLE SALE MARGIN											
54	SKATELAVA DEALER-PARTNER'S SHARE OF GROSS MARGIN REVENUE											
55	USAM RETAINED SHARE OF THAT GROSS MARGIN REVENUE											
56	BRNO DEALER-PARTNER'S SHARE OF AVERAGE VEHICLE SALE MARGIN											
57	BRNO DEALER-PARTNER'S SHARE OF AVERAGE VEHICLE SALE MARGIN											
58	USAM RETAINED SHARE OF AVERAGE USAM VEHICLE SALE MARGIN											
59	BRNO DEALER'S SHARE OF THAT GROSS MARGIN REVENUE											
60	USAM RETAINED SHARE OF THAT GROSS MARGIN REVENUE											
61	THIRD CZECH AND SECOND SLOVAK PARTNERS' SHARES OF USAM MARGIN											
62	THEIR SHARE OF AVERAGE USAM VEHICLE SALE MARGIN											
63	USAM RETAINED SHARE OF AVERAGE USAM VEHICLE SALE MARGIN											
64	THESE DEALER-PARTNERS' SHARES OF THAT GROSS MARGIN REVENUE											
65	USAM RETAINED SHARE OF THAT GROSS MARGIN REVENUE											
66	TOTAL OF SATELLITE DEALER-PARTNERS' STANDARD OPEL PERCENTAGE MARGIN SHARES OF USAM NATIONAL GM AMERICAN DEALER MARGIN ON SALES GENERATED BY THE SATELLITE DEALER-PARTNERS											
	NET DIRECT INCOME ON SALES OF GM AMERICAN VEHICLES INCLUDING SATELLITE DEALER-PARTNERS' CONTRIBUTIONS, PAYABLE FROM THEIR SHARES OF THE MARGIN REVENUE ON THE GM AMERICAN VEHICLE SALES AND SERVICE AT THEIR LOCATIONS, OF THEIR PROPORTIONATE SHARES OF THE USAM REAL PROPERTY AND EQUIPMENT FINANCING USED TO FINANCE THE REAL PROPERTY AND EQUIPMENT AND THE ADVERTISING AT THEIR LOCATIONS USED TO PRODUCE THE CADILLAC / CHEVROLET SALES AND SERVICE REVENUE AT THOSE LOCATIONS											
67	SATELLITE DEALERS' CONTRIBUTIONS TOWARDS THE DEBT OF THEIR USAM-FINANCED, GM AMERICAN VEHICLE CAPITAL IMPROVEMENTS [Lines 66-67] AND USAM CADILLAC AND CHEVROLET BRANDS LAUNCH LOCAL ADVERTISING [Lines 217 - 220] FROM THEIR RIGHTS TO OPEL STANDARD MARGIN PORTIONS OF THE USAM NATIONAL DEALER'S MARGINS ON THEIR SALES AND SERVICE OF CADILLAC AND CHEVROLET											
68	NET DIRECT INCOME FROM GM AMERICAN VEHICLE SALES AS NATIONAL DEALERS WITH A NATIONAL DEALERS' 15% MARGIN CONFIRMED IN THE DECEMBER 1998 ORLANDO, FLORIDA GM/DOC/USAM MEETINGS WITH GM CORPORATE COUNSEL ON THE BASIS ON WHICH USAM COULD PROCEED TO CLOSE IN 1999 ITS FOUR YEAR, CZECH BANK, COMPREHENSIVE FINANCING [Line 49 - Line 66 + Line 67]	(56,923)	(1,812,467)			2,239,039	2,939,984	3,432,569	4,341,909	4,969,491	17,990,991	17,991,439
69	NET DIRECT INCOME SUPPLEMENTED BY THE DISTRIBUTOR'S MARGIN WITH A GM-CONTROLLED U.S.A. MOTORS PERFORMING ITS GM/DOC-AWARDED DISTRIBUTOR'S ROLE TERMINABLE AT WILL BY OPEL CA S AS THE IMPORTER [Line 68 Plus Line 38]	(56,923)	(1,812,467)			2,991,452	3,939,369	4,935,307	5,964,317	6,169,079	21,990,233	21,991,310

	PROCEDURE APPROVED FOR COMPUTATION OF NEW GM AMERICAN VEHICLE ORDERS, DELIVERIES AND INVENTORIES OF GM AMERICAN VEHICLES SUBJECT TO REVIEW IN VIEW OF POST-1996 BELGIAN INVENTORY CENTER AND SUBJECT TO WHATEVER ROLES MIGHT NOW BE ASSIGNED TO A U.S.A. MOTORS SUBJECT TO CONTROL BY ANY GM ENTITY*	MAY 1996 - AUGUST 2001	MAY 1996 - AUGUST 2001	SEPTEMBER 2001 - MARCH 2002	SEPTEMBER 2001 - MARCH 2002	FIRST SALES YEAR APRIL - MARCH 2003	SECOND SALES YEAR APRIL - MARCH 2004	THIRD SALES YEAR APRIL - MARCH 2005	FOURTH SALES YEAR APRIL - MARCH 2006	FIFTH SALES YEAR APRIL - MARCH 2007	1998 - 2007 TOTALS	1993 - 2007 TOTALS
	ORDERS, DELIVERIES AND INVENTORIES OF GM AMERICAN VEHICLES * PRIOR TO ANY SATELLITE DEALERS' RIGHTS TO ANY PORTION OF THAT INCOME	U. S. DOLLARS	CZECH CROWNS	U. S. DOLLARS	CZECH CROWNS							
	ORDERS FOR GM AMERICAN VEHICLES*											
70	ORDERS FOR VEHICLES TO BE DELIVERED WITHIN 60 DAYS			210	210	535	705	843	957	1,023	4,273	4,273
71	ORDERS FOR VEHICLES TO BE DELIVERED WITHIN ONE WEEK	5	5	14	14	54	73	90	108	113	438	467
72	TOTAL VEHICLES ORDERED FROM GENERAL MOTORS	5	5	223	223	589	780	933	1,063	1,136	4,710	4,740
73	CUMULATIVE TOTAL VEHICLES ORDERED FROM GENERAL MOTORS	5	5	228	228	818	1,598	2 531	3 594	4 730		
74	CUMULATIVELY EXCEPT DEMONSTRATION / SERVICE / ADMINISTRATION VEHICLES	1	1	214	214	774	1,534	2 447	3,460	4 666		
	DELIVERIES AND INVENTORIES OF GM AMERICAN VEHICLES											
75	GM AMERICAN VEHICLES DELIVERED TO CUSTOMS/ART-DEFERRING AREAS	3	3	128	128	811	748	905	1,041	1,110	4 468	4 468
76	CUMULATIVELY	8	8	131	131	942	1,690	2,596	3,636	4,468		
77	SOLD GM AMERICAN VEHICLES DELIVERED TO BUYER / USER IN THIS PERIOD	1	1			810	705	888	1,050	1,004	4,179	4 179
78	CUMULATIVELY	1	1	1	1	917	1,228	2 091	3,004	4,179		
79	ADDITIONAL VEHICLES RELEASED FOR ROTATING SHOWROOM DISPLAYS			15	15						15	15
80	NUMBER OF VEHICLES IN ROTATING INVENTORY ON DISPLAY IN SHOWROOMS			15	15	15	15	15	15	15		
81	VEHICLES RELEASED FOR TYPE-ACCEPTANCE, DEMONSTRATION 24 HOUR NATIONS-WIDE ROAD SERVICE, SALES AND GENERAL ADMINISTRATION FLEETS AND SALE OR OTHER END-OF-SERVICE DISPOSAL PURSUANT TO THEIR LEASE-TYPE FINANCING INCLUDED ON LINES 241-246, 250, 254, 259 43M AND 814]	4	4	20	20		13	13	15	20	70	83
82	TOTAL VEHICLES SOLD, USED OR OTHERWISE DISPOSED	5	5	20	20	810	722	875	1,016	1,104	4,299	4,381
83	CUMULATIVE VEHICLES SOLD, USED OR OTHERWISE DISPOSED	5	5	25	25	941	1,663	2,141	3 157	4,261		
84	REMAINING INVENTORY IN CUSTOMS AND VAT-DEFERRING HOLDING AREAS					101	127	154	179	194		
85	DAYS OF SALES IN LINE 84 INVENTORY AT THE END OF THIS PERIOD					64	71	71	72	72		
86	LINE 85 BASED ON LAST 60 DAYS' SALES PRIOR TO THE PLACEMENT OF THE ORDERS ON LINE 70 FOR THE VEHICLES DELIVERED IN THIS PERIOD					60	60	60	60	60		
87	LINE 84 INVENTORIED VEHICLES DELIVERED WITHIN THE PRIOR 60 DAYS					60	81	109	139	130		
88	LINE 84 INVENTORIED VEHICLES DELIVERED EARLIER THAN PRIOR 60 DAYS					71	36	45	61	69		
89	DELIVERIES OF VEHICLES DIRECTLY TO PURCHASING GOVERNMENTAL ENTITIES	1	1									
90	CUSTOMS AND VAT-DEFERRING HOLDING AREA CHARGES					37,818	34,886	41,630	48,734	53,490	206,821	206,821
91	CUSTOMS AND VAT ON LANDED COST OF VEHICLES RELEASED FOR DISPLAY					113,864	114,537	117,117	124,738	132,855	603,262	603,262
92	INCREASE (DECREASE) IN LINE 90 COST OVER LINE 90 COST IN PRIOR PERIOD					113 864	663	2,579	7,621	8,117	132 686	132,686
	VEHICLES ACCEPTED IN TRADE, NOT RESOLD TO OTHERS FOR THEIR TRADED-IN VALUE OR OTHERWISE ACQUIRED FOR REFURBISHMENT AND RE-SALE											
93	VEHICLES ACCEPTED IN TRADE, NOT SOLD TO VENDORS FOR THEIR TRADED-IN VALUE, AND VEHICLES OTHERWISE ACQUIRED FOR REFURBISHMENT AND/OR RESALE					643	820	999	751	786	3,399	3 399
94	VEHICLES SOLD TO BROKERS FOR THE U.S.A.M. TRADE-IN PRICE					100	123	137	181	100	679	679
95	PREMIUM, TRADED-IN VEHICLES SOLD AFTER U.S.A.M. REFURBISHMENT					370	468	637	884	834	3,630	3,630
96	INVENTORY OF VEHICLES TRADED FOR NEW GM AMERICAN VEHICLES					84	80	80	80	80		

* These Lines are retained from the 1993 - 1998 Forecasts approved by GMOOC, prior to the development of a GM American stock center in Belgium, to provide a foundation for computing the cost of inventorying vehicles in Customs- and VAT-Deferring Holding Areas and observing the release of vehicles from the Customs- and VAT-Deferring Holding Areas for display or other purposes prior to sale

	SALES OF OPEL VEHICLES	MAY 1994 - AUGUST 2001 U.S DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
	OPEL SALES IN THE EXISTING SHOWROOM IN MOTEL AS RENOVATED ON PROPOSED FACILITIES SCREENS 1 - 4, OR IN A NEW CONSTRUCTION SHOWROOM SHOWN ON PROPOSED FACILITIES 5 - 7, IF AND WHENEVER THE EXISTING SHOWROOM, AS RENOVATED ON SCREENS 1 - 4, IS USED TO SELL CADILLAC AND CHEVROLET VEHICLES											
96	OPEL VEHICLES SOLD IN RENOVATED OR NEW CONSTRUCTION SHOWROOM AT THE UNIT SALES LEVEL ACHIEVED AT THIS FACILITY IN ITS LAST FULL YEAR OF OPERATION IN FAR LESS ATTRACTIVE CONDITION IN A MARKET WITH LOWER DEMAND					769	814	864	897	941	4,275	4,275
97	CUMULATIVELY					769	1,583	2,437	3,334	4,275		
98	ESTIMATED AVERAGE RETAIL PRICE ON OPEL VEHICLES					13,391	14,248	15,150	16,130	17,162	15,312	15,312
99	GROSS REVENUE FROM SALE OF OPEL VEHICLES					10,297,379	11,597,553	12,946,175	14,466,306	16,149,403	65,456,816	65,456,816
100	ESTIMATED AVERAGE PRE-VAT RETAIL PRICE ON OPEL VEHICLES					10,078	11,678	12,429	13,221	14,067	12,551	12,551
101	PRE-VAT RETAIL PRICE REVENUE FROM OPEL VEHICLE SALES					8,440,474	9,505,191	10,611,619	11,859,267	13,237,216	53,654,767	53,654,767
102	ESTIMATED AVERAGE MARGIN REVENUE ON THE SALE OF AN OPEL VEHICLE					766	817	870	925	985	879	879
103	NET DIRECT REVENUE BEFORE INDIRECT EXPENSES OF THE OPEL SALES					590,833	665,433	742,813	0	926,806	2,925,884	2,925,884
	SALES FROM A BRATISLAVA OPEL DEALERSHIP, AS CONTRACTED BY OPEL CAR IN 1995 WITHOUT LIMITATIONS EXCEPT SAME STANDARDS FOR OPEL DEALERS, SUBJECT, UPON THE INITIAL IMPLEMENTATION OF THIS PLAN OR ANY REVISION OF IT, TO A POST-2000 DECISION BY GME, ENTIRELY WITHIN ITS DISCRETION, WHETHER USAM SHOULD DEVELOP ANY SATELLITE DEALERSHIPS IN THE LIGHT OF U.S.A MOTORS' PRIOR PERFORMANCE											
104	OPELS SOLD AT THIS LOCATION, APPROVED BY GMODC IN MARCH 1998 AND, BUT FOR THE THEN EXISTING USE REMOVABLE IN 2031, BY GME IN MAY 1998, BASED ON THE CURRENT UNIT VOLUME AT THIS FACILITY WITH A LESS POPULAR BRAND											
105	CUMULATIVELY											
106	ESTIMATED AVERAGE RETAIL PRICE ON OPEL VEHICLES											
107	GROSS REVENUE FROM SALE OF OPEL VEHICLES											
108	ESTIMATED AVERAGE PRE-VAT RETAIL PRICE ON OPEL VEHICLES											
109	PRE-VAT RETAIL PRICE REVENUE FROM OPEL VEHICLE SALES											
110	ESTIMATED AVERAGE MARGIN REVENUE ON THE SALE OF AN OPEL VEHICLE											
111	NET DIRECT REVENUE BEFORE INDIRECT EXPENSES OF THE OPEL SALES											
112	SHARE OF LINE 112 ALLOCATED TO BRATISLAVA SATELLITE DEALERSHIP											
113	SHARE OF LINE 112 ALLOCATED TO CENTRAL CZECHSLOVAK DEALERSHIP FUNDS											
114	TOTAL DIRECT NET INCOME FROM OPEL VEHICLE SALES [Lines 103 and 111]					590,833	665,433	742,813	830,149	926,806	4,144,539	4,144,539
115	— NET OF ANY BRATISLAVA SATELLITE'S SHARE [Lines 103 and 113]					590,833	665,433	742,813	830,149	926,806	4,144,539	4,144,539

* The Opel sales forecast assumes the depicted Opel showroom on Proposed Facilities Screens 5 - 7, constructed as a part of the joint Sales and Service Center, in accordance with Line 631 and Proposed Facilities Screen 5, conforming to GMODC/GME standards for selling Opel vehicles in facilities architecturally distinguished from Cadillac / Chevrolet sales facilities on a site providing for common, mutually supportive functions

	PARTS AND SERVICE REVENUE AND DIRECT COSTS	MAY 1999 - AUGUST 1999 U.S. DOLLARS	MAY 1999 - AUGUST 1999 CZECH CROWNS	SEPTEMBER 1999 - MARCH 2000 U.S. DOLLARS	SEPTEMBER 1999 - MARCH 2000 CZECH CROWNS	FIRST SALES YEAR APRIL 2000 - MARCH 2001	SECOND SALES YEAR APRIL 2001 - MARCH 2002	THIRD SALES YEAR APRIL 2002 - MARCH 2003	FOURTH SALES YEAR APRIL 2003 - MARCH 2004	FIFTH SALES YEAR APRIL 2004 - MARCH 2005	2001 - 2005 TOTALS	1999 - 2005 TOTALS
116	PRAGUE SERVICE CENTER PARTS AND OTHER SERVICE REVENUE					1,891,760						
117	SALES OF PARTS IN TOTAL PARTS AND SERVICE REVENUE					1,891,760	2,327,466	2,469,631	2,575,380	2,691,161	11,913,660	11,913,660
118	COST OF SOLD PARTS IN TOTAL PARTS AND SERVICE CENTER REVENUE					661,656	1,208,774	1,360,366	1,445,360	1,451,260	6,013,726	6,013,726
119	PARTS INVENTORY MAINTAINED AT FIVE TIMES COST OF MONTHLY SALES					730,397	880,980	1,042,680	1,204,760	1,116,524	4,994,931	4,994,931
120	COST OF INITIAL INVENTORY ENLARGED WITH RISING MONTHLY PARTS SALES					265,661	431,392	442,466	466,410	471,270		
121	LABOR CHARGES IN TOTAL PARTS AND SERVICE CENTER REVENUE					303,661	22,750	21,023	14,884	12,868	471,270	471,270
122	COST OF LABOR IN TOTAL PARTS AND SERVICE CENTER REVENUE					854,840	872,182	928,240	984,360	884,244	4,413,472	4,413,472
123	REPLENISHMENT OF INITIAL TOOLS AND OTHER SERVICE EQUIPMENT					314,213	295,760	293,136	319,876	238,349	1,441,282	1,441,282
124	ADDITIONAL SALES OF PARTS AND ACCESSORIES					9,864	9,274	9,223	9,914	9,099	43,367	43,367
125	COST OF SALES IN ADDITIONAL SALES OF PARTS AND ACCESSORIES					159,342	144,833	163,317	169,820	164,872	730,373	730,373
126	NET DIRECT PRAGUE PARTS AND SERVICE REVENUE					61,237	169,488	114,657	110,767	123,489	647,799	647,799
A	BEFORE TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											
B	AFTER TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS					207,910	542,247	560,697	1,045,970	1,072,999	4,140,373	4,140,373
C	AND GENERAL ADMINISTRATIVE AND OTHER INDIRECT EXPENSES ON LINE 453					313,330	938,818	975,554	1,034,848	1,089,889	4,391,894	4,391,894
D	LINE 127C AS A PERCENTAGE OF GROSS PARTS' SERVICE REVENUE [LINE 116]			(137,516)	(3,868,228)	(369,894)	168,973	156,386	366,364	291,291	343,882	343,882
128	BRATISLAVA USAH PARTS AND OTHER SERVICE CENTER GROSS REVENUE					33%	7%	6%	9%	8%	3%	3%
129	SALES OF PARTS IN TOTAL PARTS AND SERVICE REVENUE					373,437	880,810	870,554	1,034,868	1,089,889	4,749,559	4,749,559
130	COST OF SOLD PARTS IN TOTAL PARTS AND SERVICE CENTER REVENUE											
131	PARTS INVENTORY MAINTAINED AT FIVE TIMES COST OF MONTHLY SALES											
132	COST OF INITIAL INVENTORY ENLARGED WITH RISING MONTHLY PARTS SALES											
133	LABOR CHARGES IN TOTAL PARTS AND SERVICE CENTER REVENUE											
134	COST OF LABOR IN TOTAL PARTS AND SERVICE CENTER REVENUE											
135	REPLENISHMENT OF INITIAL TOOLS AND OTHER SERVICE EQUIPMENT											
136	ADDITIONAL SALES OF PARTS AND ACCESSORIES											
137	COST OF SALES IN ADDITIONAL SALES OF PARTS AND ACCESSORIES											
138	NET DIRECT BRATISLAVA PARTS AND SERVICE REVENUE											
A	BEFORE TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											
B	AFTER TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											
C	AND GENERAL ADMINISTRATIVE AND OTHER INDIRECT EXPENSES ON LINE 453											
D	LINE 137C AS A PERCENTAGE OF GROSS PARTS' SERVICE REVENUE [LINE 127]											
139	BRATISLAVA DEALER-PARTNER SHARE OF PARTS AND SERVICE NET REVENUE [BEFORE THE COST OF THE LOCAL INVENTORY AND BEFORE LOCAL INDIRECT COSTS] TO COVER SUCH INDIRECT COSTS AND FAIR SHARE OF REPAYMENTS ON USAH OPERATING LINE OF CREDIT FUNDING THAT INVENTORY AND USAH REAL PROPERTY AND EQUIPMENT LOAN FINANCING ITS GM ENTITY-OWNED, USAH-LEASED AND FINANCED GM AMERICAN SALES AND SERVICE FACILITY A FAIR SHARE OF THE GM AMERICAN ADVERTISING EXPENSES IN BRATISLAVA, AND PROVIDE A RETURN ON ANY INVESTMENT IN THE BRATISLAVA FACILITIES											
140	USAH RETAINED SHARE OF BRATISLAVA PARTS AND SERVICE NET REVENUE											
A	BEFORE TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											
B	AFTER TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											
140	BRNO USAH PARTS AND OTHER SERVICE CENTER GROSS REVENUE											
141	SALES OF PARTS IN TOTAL PARTS AND SERVICE REVENUE											
142	COST OF SOLD PARTS IN TOTAL PARTS AND SERVICE CENTER REVENUE											
143	PARTS INVENTORY MAINTAINED AT FIVE TIMES COST OF MONTHLY SALES											
144	COST OF INITIAL INVENTORY ENLARGED WITH RISING MONTHLY PARTS SALES											
145	LABOR CHARGES IN TOTAL PARTS AND SERVICE CENTER REVENUE											
146	COST OF LABOR IN TOTAL PARTS AND SERVICE CENTER REVENUE											
147	REPLENISHMENT OF INITIAL TOOLS AND OTHER SERVICE EQUIPMENT											
148	ADDITIONAL SALES OF PARTS AND ACCESSORIES											
149	COST OF SALES IN ADDITIONAL SALES OF PARTS AND ACCESSORIES											
150	NET DIRECT BRNO PARTS AND SERVICE REVENUE											
A	BEFORE TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											
B	AFTER TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											
C	AND THE GM AMERICAN TRAINING EXPENSES OF AN EXISTING OPEL DEALERSHIP											
D	LINE 150C AS A PERCENTAGE OF GROSS PARTS/SERVICE REVENUE [LINE 140]											
151	BRNO DEALER-PARTNER'S SHARE OF PARTS AND SERVICE NET REVENUE, [BEFORE THE COST OF THE LOCAL INVENTORY AND BEFORE LOCAL INDIRECT COSTS] TO COVER SUCH INDIRECT COSTS AND FAIR SHARE OF REPAYMENTS ON USAH OPERATING LINE OF CREDIT FUNDING THAT INVENTORY AND USAH REAL PROPERTY AND EQUIPMENT LOAN FINANCING ITS GM ENTITY-OWNED, USAH-LEASED, LOCAL GM AMERICAN SALES AND SERVICE FACILITY											
152	USAH RETAINED SHARE OF THAT PARTS AND SERVICE NET REVENUE											
A	BEFORE TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											
B	AFTER TAXING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS											

	CONTINUATION OF PARTS AND SERVICE REVENUE AND DIRECT COSTS	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCE 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
153	THIRD CZECH AND SECOND SLOVAK DEALERS' USAM PARTS/SERVICE GROSS											
154	SALES OF PARTS IN TOTAL PARTS AND SERVICE REVENUE											
155	COST OF SOLD PARTS IN TOTAL PARTS AND SERVICE CENTER REVENUE											
156	PARTS INVENTORY MAINTAINED AT FIVE TIMES COST OF MONTHLY SALES											
157	COST OF INITIAL INVENTORY ENLARGED WITH RISING MONTHLY PARTS SALES											
158	LABOR CHARGES IN TOTAL PARTS AND SERVICE CENTER REVENUE											
159	COST OF LABOR IN TOTAL PARTS AND SERVICE CENTER REVENUE											
160	REPLENISHMENT OF INITIAL TOOLS AND OTHER SERVICE EQUIPMENT											
161	ADDITIONAL SALES OF PARTS AND ACCESSORIES											
162	COST OF SALES IN ADDITIONAL SALES OF PARTS AND ACCESSORIES											
163	NET DIRECT THIRD CZECH SECOND SLOVAK DEALERS' PARTS AND SERVICE											
A	BEFORE TAKING INTO ACCOUNT INITIAL / MAINTENANCE INVENTORY COSTS											
B	AFTER TAKING INTO ACCOUNT INITIAL / MAINTENANCE INVENTORY COSTS											
C	AND GM AMERICAN TRAINING EXPENSE OF AN EXISTING OPEL DEALERSHIP											
D	LINE 163C AS A PERCENT OF GROSS PARTS/ SERVICE REVENUE (LINE 152)											
164	THESE SHAREHOLDERS' SHARES OF PARTS AND SERVICE NET REVENUE, (BEFORE COST OF THE LOCAL INVENTORY AND BEFORE LOCAL INDIRECT COSTS) TO COVER SUCH INDIRECT COST AND FAIR SHARE OF REPAYMENTS ON USAM OPERATING LINE OF CREDIT FUNDING THAT INVENTORY AND USAM REAL PROPERTY AND EQUIPMENT LOAN FINANCING ITS GM ENTITY-OWNED, USAM-LEASED, LOCAL GM AMERICAN SALES AND SERVICE FACILITY											
165	USAM RETAINED SHARE OF THAT PARTS AND SERVICE NET REVENUE											
	BEFORE TAKING INTO ACCOUNT INITIAL / MAINTENANCE INVENTORY COSTS											
	AFTER TAKING INTO ACCOUNT INITIAL / MAINTENANCE INVENTORY COSTS											
166	TOTAL GROSS PARTS AND SERVICE REVENUE					1,601,799	2,327,468	2,468,831	2,570,260	2,660,181	11,618,680	11,618,680
167	TOTAL COST OF SOLD PARTS AND LABOR IN PARTS AND SERVICE REVENUE					1,031,827	1,378,469	1,460,149	1,520,076	1,567,342	6,955,862	6,955,862
168	PARTS INVENTORIES MAINTAINED AT FIVE TIMES COST OF MONTHLY SALES					399,981	421,362	442,430	458,410	471,279	2,182,157	2,182,157
169	COST OF INITIAL INVENTORY ENLARGED WITH RISING MONTHLY PARTS SALES					384,681	32,702	21,023	16,004	12,869	471,279	471,279
170	REPLENISHMENT OF INITIAL TOOLS AND OTHER SERVICE EQUIPMENT					5,854	8,674	9,225	9,814	9,920	43,287	43,287
171	ADDITIONAL SALES OF PARTS AND ACCESSORIES					108,342	144,533	153,317	159,609	164,572	730,373	730,373
172	COST OF SALES IN ADDITIONAL SALES OF PARTS AND ACCESSORIES					81,257	108,400	114,867	119,707	123,429	547,760	547,760
173	NET DIRECT TOTAL PARTS AND SERVICE REVENUE											
A	BEFORE TAKING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS					707,010	942,317	999,557	1,040,570	1,072,920	4,762,373	4,762,373
B	AFTER TAKING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS					318,330	909,615	979,534	1,024,566	1,080,050	4,291,094	4,291,094
C	AND THE INDIRECT COSTS NOTED ON LINES 128C, 137C, 150C AND 163C			(137,319)	(5,502,229)	(390,954)	168,873	199,256	205,954	201,391	243,562	243,562
D	LINE 173C AS A PERCENTAGE OF GROSS PARTS/ SERVICE REVENUE (LINE 166)					-22%	7%	8%	8%	8%	2%	2%
174	SATELLITE PARTNERS' SHARES OF PARTS AND SERVICE NET REVENUE, BEFORE COST OF THEIR INVENTORIES AND BEFORE THEIR INDIRECT COSTS, TO COVER THEIR INDIRECT COSTS, THEIR FAIR SHARE OF REPAYMENTS ON USAM OPERATING LINE OF CREDIT FUNDING ITS PARTS INVENTORY AND USAM REAL PROPERTY AND EQUIPMENT LOAN FINANCING ITS FACILITIES AND PROVIDE A RETURN ON THEIR INVESTMENTS IN THEIR SATELLITE FACILITIES											
175	USAM RETAINED DIRECT NET INCOME FROM ALL PARTS AND SERVICE											
A	BEFORE TAKING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS					707,010	942,317	999,557	1,040,570	1,072,920	4,762,373	4,762,373
B	(AS A PERCENTAGE OF GROSS PARTS / SERVICE REVENUE (LINE 166))					39%	40%	40%	40%	40%	40%	40%
C	AFTER TAKING INTO ACCOUNT INITIAL AND MAINTENANCE INVENTORY COSTS					318,330	909,615	979,534	1,024,566	1,080,050	4,291,094	4,291,094
D	(AS A PERCENTAGE OF GROSS PARTS / SERVICE REVENUE (LINE 166))					19%	39%	40%	40%	40%	39%	39%
E	AND THE INDIRECT COSTS NOTED ON LINES 127C AND 139C)			(137,319)	(5,502,229)	(390,954)	168,873	199,256	205,954	201,391	243,562	243,562
F	(AS A PERCENTAGE OF GROSS PARTS / SERVICE REVENUE (LINE 166))					-22%	7%	8%	8%	8%	2%	2%

	AMOUNT CREDITED FOR VEHICLES ACCEPTED IN TRADE AND NOT REBOLD IMMEDIATELY FOR THEIR TRADED-IN COST OR COST OF OTHERWISE ACQUIRED VEHICLES COSTS OF REPAIRS AND REFURBISHMENT OF REMAINING VEHICLES AND NET LOSS AND PROFIT FROM SUCH PREOWNED VEHICLE OPERATIONS	MAY 1994 - AUGUST 2001 U S DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U. S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
176	AMOUNT CREDITED FOR VEHICLES ACCEPTED IN TRADE FOR NEW VEHICLES SOLD IN THIS MONTH AND NOT REBOLD IMMEDIATELY					4,023,817	4,807,691	5,164,391	5,708,401	6,181,212	25,886,262	25,886,262
177	GROSS REVENUE FROM SALES OF VEHICLES FORSCAST TO HAVE BEEN TRADED-IN OR OTHERWISE ACQUIRED SIXTY DAYS EARLIER					6,966,878	7,882,846	8,797,080	9,633,098	10,883,010	43,162,864	43,162,864
178	PRE-VAT RETAIL PRICE REVENUE FROM SALE OF SUCH VEHICLES					4,860,966	6,843,319	7,177,916	8,099,880	8,731,576	35,404,088	35,404,088
177	COST OF REPAIRS AND REFURBISHMENT OF VEHICLES FOR RESALE					604,340	692,099	767,281	836,403	868,457	3,767,886	3,767,886
178	LOCAL SHAREHOLDERS' SHARES OF MARGINS ON THEIR TRADE-IN SALES					363,009	1,243,562	1,248,267	1,315,907	1,682,350	5,851,221	5,851,221
179	NET REVENUE FROM SALE OF PREOWNED VEHICLES					263,009	1,308,571	2,752,888	4,288,864	5,851,221		
180	CUMULATIVE NET INCOME (LOSS) FROM TRADED-IN VEHICLES											
	FINANCING, INSURANCE AND OTHER PRODUCTS AND INTEREST ON RESERVE											
181 A B	FEES EARNED IN PROVIDING FINANCING, INSURANCE AND OTHER SERVICES ON SALES OF GM AMERICAN VEHICLES ON SALES OF OPEL VEHICLES					320,269 185,115 135,153	407,889 256,872 152,218	463,539 313,910 169,918	577,193 387,296 189,897	667,749 449,788 211,961	2,446,639 1,587,481 859,147	2,446,639 1,587,481 859,147
182	INTEREST EARNED ON CASH RESERVE					2,292	2,800	2,500	2,500	2,500	12,292	12,292
	GROSS INCOME FROM ALL SALES AND SERVICE											
183	GROSS INCOME FROM GM AMERICAN VEHICLE AND OPEL SALES AND SERVICE, ANCILLARY FEES AND COMMISSIONS AND INTEREST ON THE CASH RESERVE [Lines 99, 46, 96, 168, 177, 181 - 182]	30,816	733,819			32,462,696	41,788,023	48,552,303	59,869,016	64,077,635	243,980,276	243,907,090
	NET DIRECT INCOME FROM SALES AND SERVICE AND ANCILLARY FUNCTIONS											
184	NET DIRECT INCOME FROM GM AMERICAN AND OPEL SALES AND SERVICE WITH THE STANDARD OPEL DEALER'S MARGIN ON OPEL SALES AND THE 19% FIRST FIVE SALES YEARS' PREMIUM, IMPORTED, NATIONAL DEALER'S MARGIN ON ITS SALES OF CADILLAC AND CHEVROLET VEHICLES WITH THE MARKETING EXPENSES OF LINES 166 - 429, THE SERVICE EXPENSES OF LINES 430 - 453 AND ADMINISTRATIVE COSTS OF LINES 469-479 AND 803-814 TO LAUNCH GM AMERICAN BRANDS VIGOROUSLY AND EFFECTIVELY TO CAPITALIZE ON THE STRONGLY PRO-AMERICAN ATTITUDES IN THESE NEWLY OPENED MARKETS TOWARDS AMERICA AND PRODUCTS ASSOCIATED WITH AMERICAN CULTURE CONFIRMED BY GME IN THE DECEMBER 1995 FLORIDA MEETING BETWEEN GMI, GMOOC, UBAI AND GM CORPORATE COUNSEL, ON THE BASES OF WHICH UBAI COULD PROCEED TO CLOSE IN 1996 ITS FOUR-YEAR, CONFIDENCE-BUILDING, SAFE FINANCING [Lines 68, 116, 176(C), 178 And 181 - 182]	(59,823)	(1,612,487)			3,534,361	8,020,694	8,988,238	9,192,334	9,214,741	33,947,428	33,768,508
185	NET DIRECT INCOME SUPPLEMENTED BY THE DISTRIBUTOR'S MARGIN WITH A GM-CONTROLLED UBAI PERFORMING ITS 1994-96 GMOOC-CONTRACTED DISTRIBUTOR'S ROLE TERMINABLE AT WILL BY OPEL CA S AS THE IMPORTER [Line 184 Plus Line 36]	(59,823)	(1,612,487)			4,088,185	8,764,289	7,788,874	9,304,831	10,488,334	38,407,302	38,348,379

	INDIRECT OPERATING EXPENSES MARKETING: RESEARCH, COLLATERAL, ADVERTISING, PROMOTIONS AND FEES	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
185	GM APPROVED AND/OR SELECTED CONSUMER ATTITUDE RESEARCH			40,000	1,602,760	83,722	43,563	45,177	46,871	48,614	308,377	308,377
187	PROPORTION OF THAT EXPENSE TO TOTAL ADVERTISING EXPENSES			10%	10%	4%	2%	2%	2%	2%	2%	2%
189	DESCRIPTIVE BROCHURES AND OTHER COLLATERAL			59,031	3,567,391	86,231	200,383	346,044	238,484	319,344	1,229,507	1,229,507
189	Omnibus Brochure Summarizing Each GM American Vehicle			31,791	1,273,846	28,188	62,001	74,394	85,086	91,859	371,089	371,089
190	Writing The Brochures Bi-Lingually In The Light Of The Consumer Attitude Research			5,000	200,346	2,520	2,621	2,725	2,833	2,945	18,643	18,643
191	Art Work For The Entire Brochure			2,500	100,173	2,520	2,621	2,725	2,833	2,945	16,143	16,143
192	Number of Brochures To Be Printed In This Period			30,800	30,800	26,900	72,200	97,700	101,000	109,100	427,500	427,500
193	Printing Of Full-Color Brochures			24,291	973,329	21,147	56,760	68,945	78,401	85,756	336,312	336,312
194	Six Chevrolet and One Cadillac Brochure In English And Czech Or Slovak			58,099	2,348,111	48,307	129,538	168,431	188,677	208,299	775,307	775,307
195	Translations With Any Revisions In The Light Of The Consumer Attitude Research			10,000	400,690	2,500	2,588	2,668	2,774	2,884	23,391	23,391
196	Number of Chevrolet And Cadillac Brochures To Be Printed In This Period			30,800	30,800	26,900	72,200	97,700	101,000	109,100	427,500	427,500
197	Estimated USA Meters Cost Of GM American Brochures			48,598	1,946,580	43,807	120,972	152,763	182,903	205,414	754,416	754,416
198	Number of Opel Brochures For Opel Sales At Main Sales and Service Center			1,380	1,380	23,760	24,610	25,740	27,030	28,360	130,740	130,740
199	Estimated USAM Cost Of Opel Brochures In This Period			684	27,400	12,288	13,169	14,379	15,699	17,120	73,339	73,339
200	Press Lists, Other Announcements, Stationery, Miscellaneous Supplies And Costs			600	24,041	1,448	1,656	1,841	2,052	2,287	9,884	9,884
201	DIRECT MAIL AND TELEPHONE FOLLOW-UP TO KEY CONSUMERS			12,274	491,818	58,031	61,779	67,760	63,466	67,800	308,109	308,109
202	Production of Self-Mailing Brochures			10,253	410,818	28,278	22,788	27,483	31,849	34,786	155,437	155,437
203	Writing The Self-Mailer In The Light Of The Consumer Attitude Research			5,000	200,346	2,520	2,644	2,774	2,908	3,052	18,898	18,898
204	Art Work For The Self-Mailer			2,500	100,173	1,260	1,322	1,387	1,456	1,528	8,450	8,450
205	Number of Self-Mailers Entering The Mail Systems In This Period			8,600	8,600	75,104	87,265	69,865	81,012	87,564	378,400	378,400
206	Printing Of Full-Color Self-Mailers			1,717	68,800	15,231	11,471	13,994	16,227	17,537	78,178	78,178
207	Postage For Self-Mailers			811	32,477	7,252	5,782	7,309	8,811	9,909	39,843	39,843
208	Professional Or Other Self-Mailer Mailing Processes			225	9,021	2,014	1,600	2,030	2,447	2,759	11,089	11,089
209	Telephone Marketing To Geographical and Functional Prospective Consumers Areas			1,011	40,500	13,878	14,499	15,133	15,809	16,517	76,836	76,836
210	Two Telephone Salespersons			1,011	40,500	12,525	13,139	13,783	14,459	15,167	70,083	70,083
211	Telephone Cost At Peak-Cost Hours With 80% of The Calls In Prague Calling Area					1,361	1,360	1,360	1,360	1,360	6,753	6,753

	MARKETING: RESEARCH, COLLATERAL, ADVERTISING, PROMOTIONS AND FEES*	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
212	NEWSPAPER, MAGAZINE, GUIDEBOOK, RADIO SALES AND SERVICE ADVERTISING			46,833	2,757,849	669,338	479,871	479,130	497,114	516,882	2,671,111	2,671,111
213	Prague Sales and Service Facilities			46,833	2,757,849	669,338	479,871	479,130	497,114	516,882	2,671,111	2,671,111
214	Newspapers / Local Business Magazines			22,940	948,183	343,582	247,687	239,280	255,294	344,699	1,380,187	1,380,187
215	Outdoor			22,940	948,183	169,468	121,157	123,916	133,915	135,113	705,477	705,477
216	Radio			22,940	948,183	169,468	121,157	123,916	133,915	135,113	705,477	705,477
217	Any Bratislava BAM Satellite Sales and Service Facility											
218	Newspapers / Local Business Magazines											
219	Outdoor											
220	Radio											
221	Any Brno BAM Satellite Sales and Service Facility											
222	Newspapers / Local Business Magazines											
223	Outdoor											
224	Radio											
225	The Table For Any Third Czech and Second Slovak Sales and Service Facilities											
226	Newspapers / Local Business Magazines											
227	Outdoor											
228	Radio											
229	OCTOBER 1998 BRNO/BRATISLAVA ZURICH MEETING-CONFIRMED, GMODC FUNDED ADVERTISING OF GM AMERICAN VEHICLES IN U.S. MOTORS' FIRST YEAR WITH STANDARD REDUCTIONS IN LATER YEARS	101,867	7,279,882	4,157 2,165,833	1,941 1,375,934	1,422 1,228,750	884 883,223	370 409,832	9,099,229	9,099,229
230	Magazines	19,147	767,599	218,598	137,892	122,976	69,622	40,883	609,923	609,923
231	Newspapers	8,580	383,988	109,299	68,796	61,487	34,811	20,462	303,491	303,491
232	Outdoor	39,335	1,535,976	348,917	221,030	198,948	111,472	66,934	980,298	980,298
233	Radio	28,750	1,191,884	338,938	183,234	138,391	78,991	49,143	678,773	678,773
234	TV	66,839	3,039,946	1,265,417	798,272	713,076	488,918	287,950	3,551,837	3,551,837
235	DUAL, LIGHT-EMITTING DIODE (LED) SCREENS, OF THE SIZE CONCEPTUALIZED ON PROPOSED FACILITY SCREENS 2 - 3, PROVIDING MASS, POINT-OF-PURCHASE ADVERTISING ON THE TWO MAIN ROADS TO GERMANY REACHING HALF OF THE CZECH MARKET FOR CADILLAC AND CHEVROLET VEHICLES	12,839	514,448	141,188	142,724	144,312	145,984	147,681	734,718	734,718
236	Interest On Portion Of Real Property / Equipment Loan Financing The Capital Cost			102,713	102,713	102,713	102,713	102,713	538,402	538,402
237	The Capital Of The Mass, Point-of-Purchase Advertising Screens On Line 633	12,839	514,448	38,483	40,011	41,600	43,281	44,969	209,314	209,314
238	Operating Costs of The Screens Reaching Approximately Half The Relevant Market									
239	Capital Cost of The Screens Treated As Lost Payments On The Equipment Loan									
240	Proportion of The Total Costs of The Screens To The Total Marketing Costs	5%	5%	7%	9%	9%	9%	9%	9%	0
241	S A L E S D E M O N S T R A T I O N F L E E T S	19,759	753,184	77,980	82,598	87,841	93,463	99,448	460,086	460,086
242	Czech National Demonstration Fleet Sales Program	19,759	753,184	77,980	82,598	87,841	93,463	99,448	460,086	460,086
243	Slovak National Demonstration Fleet Sales Program at A Bratislava Dealer-Partner									
244	Any Brno Dealer-Partner Regional Demonstration Sales Fleet									
245	Any Third Czech and Second Slovak Dealer-Partners' Demonstration Sales Fleets									
246	EXHIBITIONS, SHOWS AND OTHER PROMOTIONAL EVENTS	20,000	800,295	51,833	53,901	56,782	57,998	60,269	280,438	280,438
247	AGENCY FEE IN ADDITION TO PRODUCTION COSTS	26,000	1,001,726	61,833	64,163	66,917	69,801	62,822	308,737	308,737

		MAY 1994 - AUGUST 2001 U.S DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
	INDIRECT OPERATING EXPENSES											
	MARKETING: GENERAL SALES ADMINISTRATION											
247	General Sales Manager's Base Salary Plus 10% Share Of Line 287 Team Bonus			40,430	1,650,000	80,196	97,278	103,052	109,855	116,843	557,484	557,484
248	Salary Plus Employer's 35% Contribution To Social Costs			40,430	1,650,000	83,502	87,584	91,885	96,380	101,111	500,910	500,910
249	Share Of Line 422 Team Bonus Plus Employer's 35% Contribution To Social Costs					6,663	9,889	11,167	13,567	15,431	56,543	56,543
250	Finance, Insurance, Other Products Manager Salary And 10% Share of Team Bonus			9,434	370,000	61,128	65,180	68,787	72,998	78,950	384,387	384,387
251	Salary Plus Employer's 35% Contribution To Social Costs			9,434	370,000	59,451	61,315	64,320	67,472	70,779	331,770	331,770
252	Share Of Line 422 Team Bonus Plus Employer's 35% Contribution To Social Costs					2,577	3,874	4,457	5,427	6,172	22,617	22,617
253	Sales Management Training Costs Not Paid By GM Entities (Travel, Lodging, Etc.)			7,100	284,460	7,347	7,888	8,045	8,410	8,810	47,408	47,408
254	Proportionate Share Of Cost of Sales Administrative Fleet Used By These Managers			2,148	86,003	8,589	9,135	9,720	10,342	11,004	50,932	50,932
255	Secretary/Receptionist 1			3,905	156,495	12,087	12,969	13,311	13,983	14,948	70,813	70,813
256	Secretary/Receptionist 2			676	36,114						676	676
257	Translators and Facsimile Apart From Telemarketing On Line 312			825	25,043	3,389	3,409	3,714	4,019	4,314	18,149	18,149
258	Total General Sales Administration			64,818	2,598,108	182,420	195,380	206,628	219,997	232,267	1,100,830	1,100,830
	SPECIAL MARKET AND KEY ACCOUNT MANAGERS											
259	U.S.A. Motors Special Markets And Key Account Managers			3	3	3	3	3	3	3	3	3
260	Base Salary Of Each USAM Special Market And Key Account Manager			1,997	80,000	12,371	8,733	6,838	7,140	7,480	46,538	46,538
261	5% Share Of Each Special Market / Account Manager In Line 427 Team Bonus					1,982	2,382	2,757	3,350	3,810	13,981	13,981
262	Sales Training Expenses Not Paid By GM Entities (Travel, Lodging, Meals, Etc.)			6,450	258,446	6,841	6,900	7,179	7,484	7,781	42,401	42,401
263	Special Market Managers' Proportionate Share Of Sales Demonstration Fleet			1,073	43,002	12,878	13,702	14,579	15,513	16,505	74,251	74,251
264	Chevrolets and Cadillac Vehicles Projected To Be Sold In Prague					516	709	868	1,003	1,084	4,177	4,177
265	Portion of Sales Forecast To Be Generated By Special Market And Account Managers					60%	60%	60%	60%	60%	60%	60%
266	GM American Unit Sales Forecast To Be Made By Market And Account Managers					310	425	519	602	650	2,506	2,506
267	Average Chevrolet / Cadillac Pre-Value Added Tax Retail Price					22,404	22,520	22,642	24,115	25,883	23,739	23,739
268	Percentage Commission On Sales of Chevrolets And Cadillac Vehicles					0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
269	Average Commission On A Sale Of A GM American Vehicle					67	68	69	72	77	71	71
270	Commissions Earned By Average Special Market Manager On GM American Sales					6,938	8,890	11,761	14,512	18,704	59,484	59,484
271	Total Commissions Earned By Special Market Managers On GM American Sales					20,808	28,741	36,254	43,537	56,112	178,452	178,452
272	Total Income Earned By Average Special Market Manager Without Any Opel Sales			1,997	80,000	20,950	21,734	21,315	25,022	28,004	118,991	118,991
273	Opels Projected To Be Sold At The Proposed Main Sales and Service Center					789	814	854	881	941	4,275	4,275
274	Portion of Sales Forecast To Be Generated By Special Market And Account Managers					50%	50%	50%	50%	50%	50%	1
275	Opel Unit Sales Forecast To Be Generated By Special Market And Account Managers					395	407	427	440	471	2,138	2,138
276	Average Opel Pre- Value Added Tax Retail Price					10,978	11,678	12,428	13,221	14,067	12,551	12,551
277	Percentage Commission On Sales of Opel Vehicles					0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0
278	Average Commission On A Sale Of An Opel Vehicle					44	47	50	53	56	50	50
279	Commissions Earned By Average Special Market Manager On Opel Sales					5,627	6,337	7,074	7,908	8,828	35,770	35,770
280	Total Commissions Earned By Special Market Managers On Opel Sales					16,881	19,012	21,223	23,719	26,474	107,310	107,310
281	Total Income Earned By Average Special Market Manager With An Opel Sales Focus			1,997	80,000	28,587	28,042	28,389	32,908	36,829	154,751	154,751
282	All Three Special Market Managers' And Account Executives' Total Income			5,990	240,000	79,760	84,125	85,168	98,725	110,488	464,253	464,253
283	USAM Contribution of 35% Of Compensation To Social Costs / Health Insurance			2,096	84,000	27,916	29,444	29,809	34,564	38,670	162,488	162,488
284	Total Cost Of Special Market Managers And Account Executives' Compensation			8,086	324,000	107,675	113,569	114,976	133,289	149,158	626,741	626,741
285	Total Costs (Lines 264 262 (Training) and 263 (Demonstration Fleet Vehicles)			15,609	625,447	127,193	134,177	136,735	158,258	177,422	743,383	743,383
286	Total Costs, Without Opel Commissions, For Each Sold Cadillac Or Chevrolet					214	162	134	132	136	152	152
287	Total Costs, Without Opel Commissions, As A Percent of Gross GM American Sales					0.9%	0.7%	0.6%	0.5%	0.5%	0.6%	0.6%
288	Total Costs, Without Opel Commissions, As A Percent of Total Marketing Budget					5%	5%	5%	5%	5%	5%	5%
289	Total Costs, With Opel Commissions, For Each Sold GM Vehicle					89	88	80	82	86	86	86
290	Total Costs With Opel Commissions, As A Percent of Gross GM Vehicle Sales					0.5%	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%
291	Total Costs Without Opel Commissions As A Percent of A Total Marketing Budget			4%	4%	6%	6%	5%	6%	6%	6%	6%

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	INDIRECT OPERATING EXPENSES MARKETING	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
	ACCOUNT MANAGERS AND SALES REPRESENTATIVES WITHOUT OPEL SALES											
282	USAM Sales Representatives Without Any Opel Sales Facility			4	4	4	4	5	5	5	5	5
283	Base Salary Of Each Sales Representative			499	20,000	6,188	6,488	6,809	7,149	7,480	34,809	34,809
284	Base Salaries Paid To The Sale Representatives			1,997	80,000	24,741	25,954	34,032	35,699	37,449	169,871	169,871
285	Chevrolets and Cadillac Vehicles Projected To Be Sold In Prague					819	739	865	1,003	1,094	4,177	4,177
286	Portion of Sales For Which Sales Representatives Are Projected To Be Responsible					20%	20%	20%	20%	20%	20%	20%
287	GM American Unit Sales Forecast To Be Made By USAM Sales Representatives					103	143	174	199	216	835	835
288	Average Chevrolet / Cadillac Pre-Value Added Tax Retail Price					22,404	22,820	22,842	24,115	23,689	23,738	23,738
289	Percentage Commission On Sales of Chevrolets And Cadillac Vehicles					0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
290	Average Commission On A Sale Of A GM American Vehicle					67	68	68	72	77	71	71
291	Commissions Payable To Sales Representatives Without Any Opel Sales					6,823	9,891	11,818	14,386	16,844	59,443	59,443
292	Average Sales Representative's Commissions Without Any Opel Sales					1,731	2,415	2,394	2,879	3,329	12,748	12,748
293	Sales Representatives' 3% Shares In Line 422 Sales Team Bonus					3,969	5,740	8,272	10,030	11,430	39,467	39,467
294	3% Share of Each Sales Representative In Line 422 Sales Team Bonus					991	1,435	1,854	2,010	2,288	8,377	8,377
295	Average Compensation of Sales Representative Prior To His Contribution Of 13% Of His Compensation For Social Costs and Health Insurance And Approximately 22% In Income Taxes					8,809	10,339	10,625	12,029	13,105	55,204	55,204
296	USAM Contribution of 35% Of Compensation To Social Costs / Health Insurance			175	7,000	3,118	3,618	3,788	4,210	4,587	19,498	19,498
297	Total Cost of Compensation of Each Sales Representative Without Any Opel Sales			674	27,000	12,025	13,957	14,613	16,238	17,691	75,200	75,200
298	Total Cost of Compensation Of Sales Representatives Prior To Their Social Costs			1,997	80,000	35,630	41,358	54,123	60,144	65,529	256,772	256,772
299	USAM Contribution of 35% Of Compensation To Social Costs / Health Insurance			699	28,000	12,471	14,474	18,943	21,051	22,935	89,870	89,870
300	Total Cost of Compensating The Sales Representatives Without Any Opel Sales			2,696	108,000	48,101	55,829	73,066	81,195	88,464	346,642	346,642
301	Sales Training Expenses Not Paid By GM Entities (Travel, Lodging, Meals, Etc.)			8,800	344,880	8,857	9,312	12,182	12,583	13,083	54,837	54,837
302	Total Costs of Compensating and Training The Sales Representatives			11,286	452,880	57,087	65,141	85,188	93,778	101,630	413,678	413,678
303	Average Cost of Training and Compensation of Each Sales Representative			2,824	113,148	14,284	16,285	17,034	18,756	20,326	82,470	82,470
304	Total Cost of All Training and Compensation Of Special Market And Key Account Managers And Sales Representatives With No Opel Sales			28,908	1,078,040	184,252	169,318	221,203	280,633	274,966	1,157,372	1,157,372
305	Total Cost of All Training And Compensation Of Special Market And Key Account Managers / Sales Representatives/Each Sold GM American Vehicle					357	281	257	248	254	277	277
306	Proportion of This Total Cost To GM American Vehicle Gross Sales Revenue					1.3%	1.0%	0.9%	0.8%	0.8%	1.0%	1.0%
307	Proportion of This Cost To Total Forecast GM American Vehicles Marketing Costs			7%	7%	9%	9%	9%	9%	9%	9%	9%

	INDIRECT OPERATING EXPENSES	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2003 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
	MARKETING											
	ACCOUNT MANAGERS AND SALES REPRESENTATIVES WITH OPEL SALES FROM AN OPEL SHOWROOM AT THE MAIN SALES AND SERVICE CENTER											
316	Sales Representatives With Opel Sales At The Main Sales And Service Center			0	0	0	0	10	10	10	10	10
319	Base Salary Of Each Sales Representative			400	20,000	6,188	6,488	6,806	7,140	7,480	34,600	34,600
320	Base Salaries Paid To The Sales Representatives			3,993	180,000	49,483	51,807	68,093	71,388	74,887	318,742	318,742
321	Chevrolet and Cadillac Vehicles Projected To Be Sold In Prague					516	709	885	1,003	1,094	4,177	4,177
322	Portion of Sales For Which Sales Representatives Are Projected To Be Responsible					20%	20%	20%	20%	20%	20%	20%
323	GM American Unit Sales Forecast To Be Made By USAM Sales Representative					103	143	174	199	219	835	835
324	Average Chevrolet / Cadillac Pre-Value Added Tax Retail Price					22,404	22,520	22,642	24,115	25,683	23,735	23,735
325	Percentage Commission On Sales of Chevrolets And Cadillac Vehicles					0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
326	Average Commission On A Sale Of A GM American Vehicle					67	68	68	72	77	71	71
327	Total Commissions Payable To Sales Representatives On GM American Sales					6,923	8,881	11,819	14,388	16,844	58,443	58,443
328	Average Sales Representatives Commissions On GM American Sales											
329	Opel Vehicles Projected To Be Sold At The Proposed Main Sales and Service Center					789	814	884	897	941	4,275	4,275
330	Portion of Sales For Which Sales Representatives Are Projected To Be Responsible					30%	30%	30%	30%	30%	30%	30%
331	Opel Unit Sales Forecast To Be Made By USAM Sales Representatives					237	244	259	269	282	1,283	1,283
332	Average Opel Pre-Value Added Tax Retail Price					10,676	11,676	12,428	13,221	14,067	12,551	12,551
333	Percentage Commission On Sales of Opel Vehicles					0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
334	Average Commission On A Sale of An Opel Vehicle					659	701	748	793	797	63	63
335	Total Commissions Payable On Sales of Opel Vehicles					12,891	14,259	15,917	17,769	19,858	80,462	80,462
336	Average Sales Representative's Commissions On Sales Of Opel Vehicles											
337	Total Commissions Payable To Average Sales Representative					2,448	2,880	2,774	3,218	3,650	15,080	15,080
338	Sales Representatives' 3% Shares In Line 422 Sales Team Bonus					7,932	11,479	16,543	20,089	22,880	78,915	78,915
339	3% Share Of Each Sales Representative In Line 422 Sales Team Bonus					691	1,435	1,854	2,010	2,288	8,377	8,377
340	Average Compensation of Sales Representative Prior To His Contribution Of 13% Of His Compensation For Social Costs and Health Insurance And Approximately 23% In Income Taxes			400	20,000	8,825	10,013	11,234	12,360	13,426	58,089	58,089
341	USAM Contribution of 30% Of Compensation To Social Costs / Health Insurance			175	7,600	3,388	3,820	3,932	4,329	4,890	20,323	20,323
342	Total Cost of Each Sales Representative's Compensation			574	27,600	12,893	14733	15,166	16,687	18,125	78,388	78,388
343	Total Cost of Compensating The Sales Representatives			5,391	216,000							
344	Sales Training Expenses Not Paid By GM Entities (Travel, Lodging, Meals, Etc.)			17,200	888,187	17,913	18,824	24,285	25,169	28,185	128,273	128,273
345	Total Costs of Compensating and Training The Sales Representatives			22,591	905,187	121,891	136,469	175,869	192,137	207,413	808,369	808,369
346	Average Cost of Training and Compensation of Each Sales Representative			2,824	113,148	15,233	17,081	17,587	18,214	20,741	82,859	82,859
347	Total Cost of All Training and Compensation Of Special Market And Key Account Managers And Sales Representatives With An Opel Showroom Connected To The Cadillac And Chevrolet Showroom And Joint Service Center			38,200	1,530,634	249,209	270,699	312,804	348,392	380,636	1,588,702	1,588,702
348	Total Cost of All Training And Compensation Of Special Market And Key Account Managers And Sales Representatives / Each Sold GM Vehicle					164	178	182	183	188	180	180
349	Proportion of The Cost To Opel, Chevrolet and Cadillac Gross Sales Revenue					1.02%	0.87%	0.89%	0.79%	0.78%	0.86%	0.86%
350	Proportion of That Cost To Total Forecast Expenditures Marketing These Vehicles			9%	9%	12%	12%	12%	12%	12%	12%	12%

ADDITIONAL GENERAL SALES MANAGEMENT AT A DOWNTOWN DISTRICT POINT SHOWROOM DIRECTLY ACROSS THE STREET FROM MERCEDES SHOWROOM AND ADDITIONAL SALES REPRESENTATIVES SELLING EXCLUSIVELY OPEL VEHICLES OR AND OPEL VEHICLES WITHOUT PRIMETIME TAG INCREASED SALES BY CADILLAC AND CHEVROLETS LIKELY TO RESULT FROM SUCH A DUAL, PERMANENT CADILLAC / CHEVROLET PRESENCE IN PRAGUE INCLUDING AN ARCHITECTURALLY PREMIUM SALES AND SERVICE CENTER RIGHT AT A PREMIUM DOWNTOWN MARKET AREA LOCATION AND ARCHITECTURALLY PREMIUM CADILLAC/CHEVROLET SHOWROOM DIRECTLY ACROSS MERCEDES-BENZ SHOWROOM IN FOREIGN CENTER	Start 1994 - AUGUST U.S. DOLLARS	Start 1994 - AUGUST CZECH CROWNS	SEPTEMBER 1991 - MARCH 1992 U.S. DOLLARS	SEPTEMBER 1991 - MARCH 1992 CZECH CROWNS	FIRST 04/30 1992 - MARCH 1993	SECOND 04/30 1993 - MARCH 1994	THIRD 04/30 1994 - MARCH 1995	FOURTH 04/30 1995 - MARCH 1996	FIFTH 04/30 1996 - MARCH 1997	1997 - 1997 TOTALS	1993 - 1997 TOTALS
101	Deputy General Sales Manager Plus Employer's Contribution To Social Costs			18,170	540,000	33,451	61,315	64,380	67,173	70,770	360,089	336,839
102	Deputy Planner, Importer, Other Products Manager's Salary With That Contribution			18,170	540,000	33,010	59,571	61,960	65,833	69,368	329,650	309,480
103	Three Managers' Individual 6% Shares In Line 423 Gross With That Contribution					5,334	7,749	8,169	10,634	13,240	45,334	45,334
104	Sales Management Training Costs Not Paid By GM Dallas (Travel, Lodging, Etc.)			7,150	394,450	3,715	7,000	7,994	8,370	8,899	43,369	43,369
105	Secretary / Bookkeeper / Receptionist 1			3,850	107,340	13,997	13,850	10,311	10,850	14,040	69,090	69,090
106	Secretary / Bookkeeper / Receptionist 2					13,997	13,850	13,311	13,850	14,040	69,703	69,703
107	Telephone and Postcards			167	6,970	1,833	1,139	1,200	1,240	1,469	6,241	6,241
108	Proportionate Share Of Costs of Sales Administrative Fixed Used By Those Managers			2,143	60,000	8,000	9,159	9,722	10,242	11,004	52,888	50,888
109	On-Site Sales Administrator At A Downtown Cracked Point, Nine-Vehicle Showroom			45,667	1,559,227	165,337	171,260	183,660	191,312	202,710	940,359	940,703
200	Additional Sales Representatives To Service This Downtown Cracked Point Showroom			4	4	4	4	5	5	5	5	5
201	Base Salary Of Each Sales Representative			450	15,000	6,165	6,450	6,855	7,140	7,429		
202	Base Salaries Paid To The Sale Representatives			1,807	60,000	24,741	25,804	34,000	35,600	37,440	169,671	169,671
203	Chevrolets and Cadillacs Projected To Be Sold In Prague					510	700	885	1,000	1,004	4,177	4,177
204	Ratio of Sales For Which Sales Representatives Are Projected To Be Responsible					33%	39%	39%	39%	39%	39%	39%
205	Of Another 204 Sales Personal To Be Made By USAO Sales Representatives					169	140	174	193	210	835	835
206	Average Chevrolet / Cadillac Pre- Value Added Tax Retail Price					23,484	22,000	22,040	24,110	26,000	33,750	33,750
207	Percentage Conversion On Sales of Chevrolets And Cadillac Vehicles					0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
208	Average Commission On A Sale Of A GS American Vehicle					47	65	68	72	77	71	71
209	Total Commissions Payable To Those Sales Representatives On GM American Sales					5,023	9,681	11,310	14,000	19,044	69,443	69,443
210	Average Sales Representative's Commissions On GS American Sales					1,731	3,416	3,884	3,970	6,659	12,719	12,719
211	Other Vehicles Projected To Be Sold By USAO At Two Cost Showrooms In Prague					1,168	1,233	1,334	1,380	1,434	6,470	6,470
212	Portion of Sales For Which Sales Representatives Are Projected To Be Responsible					40%	40%	40%	40%	40%	0	0
213	Opel 1045 Sales Personal To Be Made By USAO Sales Representatives					468	493	513	554	570	2,580	2,580
214	Average Opel Pre- Value Added Tax Retail Price					10,075	11,073	12,433	13,731	14,037	12,551	12,551
215	Percentage Commission On Sales of Opel Vehicles					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
216	Average Commission On A Sale Of An Opel Vehicle					63	63	63	70	63	63	63
217	Total Commissions Payable To Those Sales Representatives On Sales of Opel Vehicles					33,074	33,703	33,746	33,000	43,000	103,000	103,000
218	Average Sales Representative's Commissions On Sales Of Opel Vehicles											
219	Total Commissions Payable To Average Sales Representatives					5,134	5,010	5,703	10,000	11,340	47,040	47,040
300	Sales Representatives' 3% Shares In Line 423 Sales Taxes Gross					3,000	3,743	5,272	10,000	11,400	32,457	32,457
301	3% Share Of Each Sales Representative In Line 423 Sales Taxes Gross					634	1,400	1,654	2,010	2,200	6,877	6,877
302	Average Compensation of Sales Representative Who Try His Contribution Of 10% Of His Compensation For Social Costs and Health Insurance And Approximately 25% In Income Taxes			450	15,000	10,201	11,000	17,200	19,210	21,117	68,000	68,000
303	USAO Contribution of 20% Of Compensation To Social Costs / Health Insurance			175	7,000	5,200	6,100	8,010	8,730	7,201	31,020	31,020
304	Total Cost of Each Sales Representative's Compensation			674	27,000	20,000	20,077	23,200	23,241	28,000	122,700	122,700
305	Total Cost of Compensating These Sales Representatives			1,207	54,000	61,204	70,100	69,201	69,670	100,000	431,000	431,000
306	Sales Training Expenses Not Paid By GM Dallas (Travel, Lodging, Meals, Etc.)			6,000	240,000	6,007	6,312	13,100	12,000	13,000	64,007	64,007
307	Total Costs of Compensating and Training These Other Representatives			10,007	494,000	70,101	76,400	83,300	100,000	113,000	495,007	495,007
308	Average Cost of Training and Compensating Each Sales Representative			2,010	100,140	17,040	19,000	19,077	21,700	23,700	97,107	97,107
309	Total Cost of All Training and Compensation Of All Special Stated And Key Account Managers And Sales Representatives With An Open Showroom Connected To The Cadillac And Chevrolet Showroom And Joint Service Center And A Cadillac/Chevrolet/Opel Showroom Across Palm Showroom Directly Facing Mercedes-Benz Showroom In The Center of Prague			40,700	1,660,227	340,217	380,107	410,007	427,004	490,004	2,501,164	2,501,164
310	Total Cost of All Training And Compensation Of Special Market And Key Account Managers And Sales Representatives / Cost Each GM Vehicle					240	235	239	241	247	260	260
311	Proportion of This Cost To Opel, Chevrolet and Cadillac Gross Sales Revenue					1.2%	1.1%	1.1%	1.0%	1.0%	1.2%	1.2%
312	Proportion of This Cost To Total Forecast Expenditures Marketing These Vehicles					10%	10%	10%	10%	17%	17%	17%

MARKETING											
PASSENGER-CAR PARK STAFF, SALES TEAM (SHOP, END-OF-GOODS, TOOL DISPATCH AND OTHER MARKETING COST) AND TOTAL MARKETING											

		MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
	INDIRECT OPERATING EXPENSES											
	GENERAL MANAGEMENT AND ADMINISTRATION											
002	EXECUTIVE MANAGEMENT, PERFORMANCE-BASED COMPENSATION			266,333	11,833,711	386,036	530,896	567,530	681,079	782,523	3,253,469	3,253,469
003	FINANCIAL DIRECTOR AND INTERNAL FINANCIAL ACCOUNTING STAFF			27,122	1,099,790	48,014	60,366	62,834	66,423	69,130	291,808	291,808
004	ANY INDEPENDENT EXTERNAL ACCOUNTING AND ANY ANNUAL AUDIT REPORTS			12,000	480,828	62,176	65,223	68,419	71,771	75,286	354,876	354,876
005	STENOGRAPHIC SECRETARY AND CLERICAL ADMINISTRATOR			8,760	350,804	16,480	16,349	17,048	17,880	18,757	94,171	94,171
006	ASSISTANT STENOGRAPHIC SECRETARY AND CLERK			3,900	140,242	10,843	11,374	11,932	12,516	13,130	63,296	63,296
007	DOMESTIC CZECHOSLOVAK ADMINISTRATIVE TELEPHONE EXPENSE			3,960	188,273	2,963	2,470	2,774	3,130	3,487	17,874	17,874
008	INTERNATIONAL TELEPHONE AND FACSIMILE EXPENSE			3,250	130,224	2,534	2,986	2,661	2,766	2,862	16,630	16,630
009	GM SPECIFIC GENERAL MANAGEMENT EDUCATION PROGRAMS			12,480	488,869	13,080	13,700	14,371	15,079	15,814	84,471	84,471
010	INTERNATIONAL TRAVEL AND LODGING			12,000	480,828	14,570	15,999	16,383	17,186	18,006	94,004	94,004
011	EXECUTIVE AND BOARD MEMBER AMERICAN VEHICLES			11,843	474,524	29,361	30,799	32,299	33,860	36,840	173,701	173,701
012	MONTHLY ITEMIZED MISCELLANEOUS EXPENSES			18,000	721,242	61,366	64,441	67,671	71,062	74,624	357,164	357,164
013	TOTAL CENTRAL GENERAL MANAGEMENT AND ADMINISTRATION			365,157	14,631,466	656,607	823,470	873,905	991,761	1,099,439	4,788,533	4,788,533
014	GENERAL ADMINISTRATIVE EXPENSES* PERCENTAGE OF GROSS REVENUE					2.0%	1.9%	1.8%	1.7%	1.7%	2.0%	2.0%
016	TOTAL INDIRECT OPERATING EXPENSES [Lines 438, 463 - 464, 483, 484 - 676 And 813 Minus Line 239* Plus Line 237*]		512,251	14 018,271	1,382,932	55,412,702	4,877 023	5,212,480	5,529 192	5,857,127	6,947,033	28,800,781	29,412,033
016	U.S. MOTORS NET OPERATING INCOME WITH THE STANDARD OPEL DEALER MARGIN ON OPEL SALES AND THE GM AMERICAN FIRST FIVE YEARS, 10% MARGIN FOR A PREMIUM, IMPORTED, BRAND-INTRODUCING NATIONAL DEALER ON ITS SALES OF CADILLAC AND CHEVROLET VEHICLES WITH THE MARKETING EXPENSES ON LINES 180 - 436, THE SERVICE EXPENSES ON LINES 439 - 463 AND THE OTHERS COSTS ON LINES 472 - 474 AND 662 - 813 INSTRUMENTAL IN INTRODUCING GM AMERICAN BRANDS VIGOROUSLY AND EFFECTIVELY TO CAPITALIZE ON THE STRONGLY PRO-AMERICAN ATTITUDES IN THESE NEWLY OPENED MARKETS TOWARDS AMERICA AND PRODUCTS ASSOCIATED WITH AMERICAN CULTURE] CONFIRMED BY GMI IN THE DECEMBER 1990 FLORIDA MEETING BETWEEN GME, BETWEEN GMI, GMOOC, UBM AND GM CORPORATE COUNSEL, ON THE BASES ON WHICH UBM COULD PROCEED TO CLOSE IN 1990 ITS FOUR-YEAR, CZECH BANK, COMPREHENSIVE FINANCING [Line 164 Less Line 617] *		(571,174)	(15,030 757)	(1,382,932)	(55,412,702)	(1,382,862)	. 616,419	1,357,042	2,336,077	3,187,709	4,946,845	4,388,473
017	NET OPERATING INCOME AS A PERCENTAGE OF GROSS REVENUE					-4%	2%	3%	4%	5%	2%	2%
018	NET OPERATING INCOME SUPPLEMENTED BY THE DISTRIBUTOR'S MARGIN WITH A GMI-CONTROLLED U.S.A. MOTORS PERFORMING ITS GMOOC-AWARDED DISTRIBUTOR'S ROLE TERMINABLE AT WILL BY OPEL CSS AS THE IMPORTER * [Line 016 Plus Line 34]		(571,174)	(15,030,757)	(1,382,932)	(55,412,702)	(630,640)	1,990,610	2,267,086	3 447,484	4,446,301	9,900,020	8,676,346

* Line 239 includes Lines 238 and 239 [Interest and capital expense of the LED screens] Included on Line 484 (Interest On Real Property and Equipment Loan) and Line 664 [Repayments On The Real Property And Equipment Loan] excluded from this total to avoid double-counting these costs.

	1996 - 1997 INVESTMENTS UNDERLYING THE DEPRECIABLE GOOD WILL ACCELERATING THE DATE ON WHICH FINANCING FOR THE 2000 FACILITIES CAN BE COMPLETELY PAID	MAY 1996 - AUGUST 2001 U.S DOLLARS	MAY 1996 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
619	1996 GMODC/GME-APPROVED PRAGUE FACILITIES REJECTED EITHER BY GMODC, AFTER THE CLOSING, IN 1996, OR BY GME IN 1999	2,204,814	60,331,486									2,204,814
620	ACQUISITION OF NAP, A S., TO CONVERT ITS FIAT SALES / SERVICE CENTER INTO AN OPEL SALES AND CADILLAC/CHEVROLET/OPEL SERVICE CENTER	2,156,614	59,017,997									2,156,614
621	July 1996-Contracted, November 1996-Made Payments For 100% of NAP Shares Interrupted By November 1997, GMODC-Stated Changes In The Bases [Planned Dealer' s Margin In The Computation Of Local Market Competition-Meeting Retail Pricing And, With All Other Costs (Distributor's Margin, Customs, VAT, In-Country Freight), The GMODC Transfer Price; Right To Market Any GM American Vehicle Exported By GM To Europe On Which U.S. Motors, At Its Expense, Obtains Type-Acceptance In The Czech Republic and Slovakia; U.S. Motors' Role As The National Dealers, With Opel Satellite Dealers For GM American Vehicles In These Relatively Small National Markets For GM American Vehicles] On Which U.S Motors Could Rely In Proceeding To Close Its 1996-Signed, Czech Bank Financing In 1996 And Interrupted By Czech Legal Obstacles, Described In 1997 And 2000 Professional Journal Articles On What Happened To U.S Motors In 1997 - 1999, Keeping U.S. Motors From Giving GM Entities The New Clear Opportunity To Reestablish These 1996 GMODC/GME-Approved Bases Fundamental To U.S Motors' 1996-Closed Financing And To Its Financial Viability With Its GMODC/GME-1996 Approved Facilities And GM American Brand Launch Marketing And Other Start-Up Costs	1,760,643	49,000,000									1,760,643
622	1997 Payments On GMODC / GME-Approved Renovations	340,203	9,310,000									340,203
623	GMODC Recommended, Automotive Facility Design Architect	22,665	620,258									22,665
624	Czech, U.S. Methods-Experienced Construction Consultant	3,203	87,642									3,203
625	GMODC APPROVED 1998 LEASE OF SPACE FOR CADILLAC AND CHEVROLET SHOWROOM IN THE ONLY COMMERCIAL SPACE IN FRANK GHERY-DESIGNED BUILDING DESIGNATED BY TIME MAGAZINE THE BEST BUILDING DESIGN BUILT IN 1996, EVOKING GM'S OWN "AMERICAN EXCELLENCE IN DESIGN"	48,000	1,313,568									48,000

	REAL PROPERTY AND EQUIPMENT PROPOSED REPLACEMENT FACILITIES IN PRAGUE SATELLITE DEALERSHIP FACILITIES SUBJECT TO A POST-2001 DECISION, ENTIRELY WITHIN THE DISCRETION OF GM ENTITIES, IN THE LIGHT OF THE ACTUAL PERFORMANCE	MAY 1994 - AUGUST 2001 U.S DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL - MARCH 2003	SECOND SALES YEAR APRIL - MARCH 2004	THIRD SALES YEAR APRIL - MARCH 2005	FOURTH SALES YEAR APRIL - MARCH 2006	FIFTH SALES YEAR APRIL - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
626	PROPOSED REPLACEMENTS FOR 1995 GMDOCGMX APPROVED FACILITIES			7,875,031	318,577,499	359,442					8,235,294	8,235,294
627	ACQUISITION OF ASSETS OR SHARES OF ITAL-AUTO, A.S., OWNER OF SUPERBLY LOCATED FACILITY RENOVATIBLE INTO A PREMIUM CADILLAC/CHEVROLET/OPEL SERVICE CENTER AND A CADILLAC/ CHEVROLET SHOWROOM WITH OR WITHOUT A DISTINCTLY DIFFERENT OPEL SHOWROOM PURSUANT TO GM STANDARDS			6,720,053	269,301,868	254,065					6,975,018	6,975,018
628	Purchase Of All Assets, Or All Shares, In Ital-Auto, s r.o., and Motors Holding, a.s			2,496,696	100,000,000						2,496,696	2,496,696
629	Renovations of Existing Facilities			2,096,339	83,968,141	174,704					2,270,043	2,270,043
630	Erection of Outdoor Video Screens			1,246 000	49,896,936						1,246,000	1,246,000
631	Construction of New Construction Opel Sales Facility			884,919	35,457,822	79,361					964,280	964,280
632	2000 ACQUISITION OF ASSETS OR SHARES OF MOTORS HOLDING, A.S., OWNED BY OWNER OF ITAL-AUTO, A.S., CURRENTLY LEASING THE PROPOSED "DOWNTOWN CONTACT POINT" SHOWROOM OPPOSITE MERCEDES-BENZ			449,569	18,013,800						449,569	449,569
633	Purchase of All Shares in Motors Holding			249,569	10,000 000						249,569	249,569
634	Revisions Of And Furnishings In Existing Showroom In Prague's Center			200 000	8,013 800						200,000	200,000
635	ACQUISITION AND DEVELOPMENT OF LAND FOR PREOWNED VEHICLE SALES PARK ACROSS ZA OPRAVNOU ["BEHIND THE SERVICE"] STREET FROM THE MAIN SALES AND SERVICE FACILITY ON LINES 627 - 633			706 329	28,301,821	105,378					810 707	810 707
636	Probational Estimate Of Appraisal of Individually / Governmentally-Owned Land Previously Offered And Currently Confirmed To Be Available For This Purpose			288,562	11,562,000						288,562	288,562
637	Extensive Landscaping, Improvements and Sales Office Construction Allowance			416,777	16,699 821	105,378					522,154	522,154
638	SATELLITE DEALERSHIP FACILITIES											
639	Bratislava Cadillac/Chevrolet Showroom, Opel Showroom and Joint Service Center											
640	Brno Cadillac and Chevrolet Showroom And Service Center											
641	Third Czech / Second Slovak Satellite Cadillac / Chevrolet Showroom And Service											
642	EQUIPMENT (INCLUDING ALL TOOLS)	22 348	611,578	427,800	17,129 498						427,800	449,848
643	Miscellaneous Equipment Before 2000 / GM Specific Service Equipment After 2000	22 348	611 578	150 000	6 010,360						150,000	172,348
644	Central U.S.A. Motors GM Operating Control System			75,000	3 005,178						75,000	75,000
645	Central U.S.A. Motors Office Equipment Not Now Owned By Ital-Auto/Motors Holding			60 000	2,404,140						60,000	60,000
646	Bratislava U.S.A. Motors Service Equipment											
647	Bratislava U.S.A. Motors Dealer Operating Control System											
648	Brno U.S.A. Motors General Service Equipment											
649	Brno U.S.A. Motors Dealer Operating Control System											
650	Third Czech and Second Slovak Dealers' GM Specific Service Equipment											
651	Third Czech and Second Slovak Dealers' Operating Control Systems											
652	TOTAL REAL PROPERTY AND EQUIPMENT CAPITAL COSTS (Lines 618,626 636 642)	2,226,982	60,943,041	8,303,351	332,706,987	359 442					8 662 794	10,889,798
653	CUMULATIVELY BEGINNING IN 2001	2,226,982	60 943 041	8,303 351	332,706,987	8 662,794	8,662,794	8 662,794	8,662,794	8,662 794		

	OTHER CAPITAL COSTS UNDER GENERALLY APPLIED ACCOUNTING PRINCIPLES OR TAX LOSS CARRY-FORWARDS UNDER CZECH TAX ACCOUNTING PRINCIPLES FACILITATING THE REPAYMENT AND ACCELERATING THE DATE ON WHICH THE FINANCING FOR THE 5004 PROPOSED FACILITIES CAN BE REPAID WITH ALL PAYMENTS WITH RESPECT TO THOSE COSTS BEING DEFERRABLE UNTIL ALL NEW DEBT HAS BEEN REPAID AND AFTER ALL DISTRIBUTIONS PAYABLE TO THE PROVIDER OF THE NEW FINANCES, PROPORTIONATE TO ITS INTEREST IN THE DISTRIBUTABLE INCOME, ARE PAID	MAY 1994 - AUGUST 0001 U. S. DOLLARS	MAY 1994 - AUGUST 0001 CZECH CROWNS	SEPTEMBER 0001 - MARCH 0002 U. S. DOLLARS	SEPTEMBER 0001 - MARCH 0002 CZECH CROWNS	FIRST SALES YEAR APRIL - MARCH 0002	SECOND SALES YEAR APRIL - MARCH 0003	THIRD SALES YEAR APRIL - MARCH 0004	FOURTH SALES YEAR APRIL - MARCH 0005	FIFTH SALES YEAR APRIL - MARCH 0006	0004 - 0007 TOTALS	1993 - 0007 TOTALS
694	CAPITAL COSTS UNDER GENERALLY APPLIED ACCOUNTING PRINCIPLES UNDER CZECH TAX ACCOUNTING REGULATIONS, CAPITAL COSTS, TO EXTENT INCURRED PRIOR TO MAY 30, 1994, AND OPERATING COSTS TO THE EXTENT THEY WERE INCURRED THEREAFTER SUBJECT TO A DETAILED ACCOUNTING BEGINNING WITH 1997 DETAILED ACCOUNTING OF ALL U.S. DISBURSEMENTS (LINES 699- 697 and 694 -)	5,776,000	221,512,000	437,085	17,013,580						437,085	6,213,043
699	DEVELOPMENT COSTS DETAILED IN 1997 ACCOUNTING OF U.S. DISBURSED COSTS INCURRED IN 1988 - 1997 DEVELOPMENT OF U.S. MOTORS (CZ), S.A., AND U.S.A. MOTORS, s.r.o., FOR AIR TRANSPORTATION, 1994 - 1998 START-UP STAFF AND OFFICES IN PREPARATION FOR FINANCIAL CLOSING, TYPE-ACCEPTANCE WORK, MARKET RESEARCH AND DEVELOPMENT AND PROMPT OPENING FOR BUSINESS, U.S. MOTORS SPONSORED CZECH MINISTRY OF INTERIOR AND CZECH MINISTRY OF DEFENSE PURCHASING COMMITTEE TOURS OF MICHIGAN GM MVO AND WASHINGTON, D.C., U.S. GOVERNMENT FLEET FACILITIES AND AIR OR SEA SHIPMENT OF GM VEHICLES FOR PARTICIPATION IN CZECH GOVERNMENT TESTING RESULTING IN A FAVORABLE DESIGNATION OF GM VEHICLES FOR NEGOTIATION OF CZECH GOVERNMENT CONTRACTS, LODGING, OFFICE FACILITIES AUTOMOTIVE AND MINIMAL LEGAL PROFESSIONAL SERVICES WITH NO FEES EVER BEING PAID AT ANY TIME TO ANY PARTICIPANTS IN USAN	1,691,993	67,760,444									1,691,393
698	PRAGUE-DISBURSED 1992-1997 COSTS DESCRIBED IN THE 1997 ACCOUNTING	314,285	10,000,004									314,285
697	ADDITIONAL PRAGUE-DISBURSED COSTS PAID FROM EQUITY CAPITAL CONTRIBUTION BY CZECH BANK'S INVESTMENT FUND, AS A PART OF ITS 1998 IN 220 MILLION EQUITY CAPITAL COMMITMENT, PAID BY THE FUND IN 1998 RATE AND DISBURSED IN NOVEMBER 1998 - JANUARY 1997 AT HIGHER RATES	217,887	8,574,947									217,887
696	Payment of Lessor's Claim On 1994 GMODC-Approved And 1994 U.S. Motors Leased Pavilion Sales Facility Lost In November 1996 Through 1998 Delays	66,666	1,800,000									66,666
695	Payment of Lessor's Claim On 1994 GMODC-Approved And 1994 U.S. Motors Leased Temporary Service Center Rejected By GMODC In 1998	36,742	1,040,930									36,742
693	Payment For 1992 - 1998 Executive Consulting Services of 10-Year Administrative Assistant To Czech-American Congressmen With Decades of U.S. Governmental And Civic Experience In Czechoslovakia Throughout The 70's, 80's and Early 90's	40,000	1,078,373									40,000
691	Repayment Of 1998 Emergency Loan Arranged By U.S. Board Member	30,000	874,980									30,000
692	Repayment Of Portion Of Cash Advances By Czech Board Member	15,000	404,980									15,000
693	November 1998 - January 1997 Costs Discoverable From The Czech Bank Records	28,677	1,089,801									28,677
694	NOVEMBER 1998 U.S. MOTORS (CZ), A.S., GENERAL MEETING AUTHORIZED OR JANUARY 1997 PRAHA MOTORS, L.L.C., EXECUTIVE MEMBERS MEETING AUTHORIZED DISBURSEMENTS DETAILED IN THE NOTE TO THIS LINE	509,099	13,949,831									509,099
695	ADDITIONAL AMOUNTS DISBURSED FROM CZECH BANK LINE OF CREDIT TO BE DETAILED IN AN AUDIT OF THE CZECH BANK RECORDS	472,009	15,649,963									472,009
696	LEGAL AND OTHER PROFESSIONAL FEES AND COSTS	32,000	3,840,139									32,000
697	UNDISBURSED COSTS OWED THIRD PARTY, NON-PARTICIPANTS IN USAN AND, LIKE ALL INVESTMENTS AND ADVANCES FOR PRE-2000 DISBURSED AMOUNTS, DEFERRABLE UNTIL ALL NEW DEBT HAS BEEN COMPLETELY REPAID WITH ANY FINALIZATION OF ANY OBLIGATION TO PAY SUCH DEBTS BEING SUBJECT TO ALL SUCH CREDITORS COVENANTING NOT TO SUE U.S. MOTORS, U.S.A. MOTORS OR ANY GM ENTITY OR EMPLOYEE OF ANY GM ENTITY IN CONNECTION WITH USM OR USAN FOR ANY REASON AT ANY TIME AND THAT THEY WILL BE ENTITLED ONLY TO RECEIVE A PROPORTIONATE SHARE OF INCOME OTHERWISE DISTRIBUTABLE ONLY TO PRIOR INVESTORS IN U.S. MOTORS AND, THEREFORE, NOT A BURDEN EITHER ON THE OPERATIONS OF U.S. A. MOTORS OR A BURDEN ON THE INCOME FORECAST TO BE DISTRIBUTABLE TO THE NEW INVESTOR AND LENDER	2,343,819	83,814,480									2,343,819

	1997 - 2001 DEVELOPMENT CAPITAL COSTS OTHER THAN THOSE ADVANCED BY THE SPECIAL COUNSEL AND EXECUTIVE SECRETARY TO PRAHA MOTORS, L.L.C.	MAY 1994 - AUGUST 2001 U. S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U. S DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
660	1997 - 2001 DEVELOPMENT COSTS [Fees, Payable To Anderson Consulting-Recommended Chief Executive Officer; GME-Approved Founding President of Czech Union Of Motor Vehicle Importers; A Member of the United Nations Environmental Court Providing Legal Services In Connection With The 1999 -1995 Czech Judicial Processes Described In The November 2000 Issue of Prism; [Lawyer]; A Czech Law Firm Specializing In These Processes; Czech General Counsel; A Czech Accountant Recommended By The Anderson Consulting Recommended Chief Executive Officer; Czech Financial Analyst and Tax Accountant Working On All Aspects Of The Project Since November 1994 And Providing Administrative Assistance And Professional Representation With Czech Authorities Since 1997; Czech-Canadian Automotive Retailing Executive Providing Experience-Based Suggestions Incorporated Into The Site Plan For The Main Sales And Service Facility In This Plan; A Person Able To Provide Needed Services After An Acquisition To Help Implement The Facility, Post Sales And Other Aspects Of This Plan; And A GMODC-Approved Architect Experienced In Designing Joint GM American - Opel Sales and Service Facilities			437,086	17,313,308						437,086	437,086
	TOTAL CAPITAL EXPENDITURES											
669	TOTAL CAPITAL EXPENDITURES [LINES 464,* 466,* 652 AND 664]	9,510,371	288,472,917	9,740,456	380,220,548	339,442					9,389,879	17,813,985
	NET CASH FLOW											
670	REPAYMENT OF ALMOST THE ENTIRE BALANCE ON THE REAL PROPERTY AND EQUIPMENT LOAN FROM U S MOTORS' EQUITY CAPITAL, U S BANK LETTERS OF CREDIT IN JULY 1997	2,000,000	68,300,000									2,000,000
671	REDUCTION IN ASSIGNED DOLLAR VALUE OF 1997 COSTS FOR THE DECREASE IN THE CZECH CROWN/U.S. DOLLAR EXCHANGE RATE FROM THE 27.395:1 RATE IN NOVEMBER 1998, APPLIED TO THOSE COSTS, TO THE 33.15:1 RATE APPLIED BY THE CZECH BANK IN APPLYING ITS DRAW ON THE U S MOTORS EQUITY CAPITAL U S BANK LETTERS OF CREDIT AGAINST ITS U S MOTORS ACCOUNTS	578,622	2,738,166									578,622
672	U S BANK-PROCESSED CONTRIBUTIONS AND ADVANCES	1,991,983	67,760,444									1,991,983
673	PRAGUE-DISBURSED CONTRIBUTIONS AND ADVANCES DESCRIBED IN 1997	514,388	20,808,084									514,388
674	CZECH BANK'S INVESTMENT FUND'S CONTRIBUTION OF $225,000 [DISBURSED FIVE - SEVEN MONTHS LATER AT A HIGHER EXCHANGE RATE] TOWARD ITS COMMITTED CONTRIBUTION OF $1,225,000 ABORTED BY THE EVENTS RELATED ON PAGES 4 - 5 OF THE SUMMARY BACKGROUND	217,087	6,074,847									217,087
675	ADDITIONAL ADVANCES FOR MARCH 1997 - JUNE 2000 LEGAL FEES AND OTHER PROFESSIONAL EXPENSES WITH NO FEES OR REIMBURSEMENTS OF ANY COST INCURRED BY ANY CURRENT PARTICIPANT IN U.S MOTORS OR U.S.A. MOTORS	52,000	3,640,158									52,000
676	DEFERRALS, TO BE REDUCED TO WRITINGS, OF THESE COSTS AND EXPENSES UNTIL THEY ARE PAYABLE SUBJECT TO THE NEW INVESTOR/LENDER REALIZING ITS CORPORATE TARGET RETURN ON ITS NET ASSETS	2,543,819	93,914,480									2,543,819
677	B U S I N E S S I N C O M E T A X											
678	NET CASH FLOW WITH THE STANDARD OPEL DEALER'S MARGIN AND THE FIRST FIVE YEARS, GM AMERICAN, NATIONAL DEALER MARGIN DESCRIBED ON LINE 164 [Line 616 Less Line 669 Plus Lines 670 - 676 Less Line 677 Plus Lines 464 - 467]	(1,199,807)	(39,770,303)	(10,123,386)	(405,633,249)	(1,712,104)	916,415	1,367,042	2,220,077	3,167,709	(4,199,231)	(5,339,838)

* Interest, on Lines 464 - 466, incurred prior to 2001, is treated under Czech accounting standards as a post-organization date, operating expense on Line 616 and, under U.S. accounting standards, as a pre-opening capital development cost on Line 664 and, so, to avoid double-counting of the same expenditure, is reduced, in the final computation of Net Cash Flow, by a crediting of one of those entries on this Line 678 to a single debit in the amount of that pre-2001 expenditure for interest.

	DRAWS, REPAYMENTS AND OUTSTANDING BALANCES ON OPERATING LINES OF CREDIT AND REAL PROPERTY AND EQUIPMENT LOANS	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1999 - 2007 TOTALS
670	DRAWS ON REAL PROPERTY AND EQUIPMENT LOAN AND OPERATING LINE OF CREDIT NET OF 1997 DRAW ON $3 MILLION IN U.S. BANK EQUITY CAPITAL LETTERS OF CREDIT	1,199,607	38,770,393	10,223,368	408,840,148	2,177,152	311,870	277,341	199,998	80,681	13,248,090	14,444,088
680	REPAYMENTS ON REAL PROPERTY / EQUIPMENT LOAN OR LINE OF CREDIT					466,047	1,129,383	1,834,383	2,804,745	3,253,360	9,983,838	9,983,838
681	AUGUST 1999 RETIREMENT OF THE BALANCE IN EXCHANGE FOR A RELEASE OF THE CZECH BANK'S RIGHTS TO ASSERT U.S. MOTORS' RIGHTS TO RECOVER THE AMOUNT INVESTED BY U.S. MOTORS IN NAP AND ITS FACILITY AND AN ASSIGNMENT OF THE CZECH BANK'S RIGHTS FOR THE BALANCE DUE FROM U.S. MOTORS TO THE BANK ON THAT LOAN AND THAT LINE OF CREDIT	1,199,607	38,770,393			1,712,104		(1,387,042)	(2,238,977)	(3,167,769)		1,199,607
682	COMBINED OUTSTANDING BALANCES ON THE REAL PROPERTY AND EQUIPMENT LOAN AND THE REVOLVING OPERATING LINE OF CREDIT			10,223,368	408,840,148	11,935,473	11,119,056	9,752,016	7,428,939	4,259,231	4,259,231	4,259,231
683	COSTS DRAWN FROM REAL PROPERTY AND EQUIPMENT LOAN NET OF COSTS COVERED BY 1997 DRAW ON U.S. BANK EQUITY CAPITAL LETTERS OF CREDIT	23,578	748,475	8,804,222	220,948,872	369,442					5,983,884	6,856,343
684	REPAYMENTS ALLOCATED TO REAL PROPERTY AND EQUIPMENT LOAN									1,604,433		
685	AUGUST 1999 RETIREMENT OF THE BALANCE IN EXCHANGE FOR A RELEASE OF THE CZECH BANK'S RIGHTS TO ASSERT U.S. MOTORS' RIGHTS TO RECOVER THE AMOUNT INVESTED BY U.S. MOTORS IN NAP AND ITS FACILITY AND AN ASSIGNMENT OF THE CZECH BANK'S RIGHTS FOR THE BALANCE DUE FROM U.S. MOTORS TO THE BANK ON THAT LOAN AND THAT LINE OF CREDIT	23,578	748,475									23,578
686	OUTSTANDING BALANCE ON REAL PROPERTY AND EQUIPMENT LOAN			8,804,222	220,948,872	8,883,884	8,883,884	8,883,884	8,883,884	4,259,231		
687	DRAWS ALLOCATED TO A REVOLVING LINE OF CREDIT	1,177,029	38,021,918	4,719,146	189,091,475	1,817,709	311,870	277,341	199,998	80,681	7,301,396	8,658,434
688	REPAYMENTS ON REVOLVING OPERATING LINE OF CREDIT					466,047	1,129,383	1,834,383	2,804,745	1,848,838	7,301,396	7,301,396
689	AUGUST 1999 RETIREMENT OF THE BALANCE IN EXCHANGE FOR A RELEASE OF THE CZECH BANK'S RIGHTS TO ASSERT U.S. MOTORS' RIGHTS TO RECOVER THE AMOUNT INVESTED BY U.S. MOTORS IN NAP AND ITS FACILITY AND AN ASSIGNMENT OF THE CZECH BANK'S RIGHTS FOR THE BALANCE DUE FROM U.S. MOTORS TO THE BANK ON THAT LOAN AND THAT LINE OF CREDIT	1,177,029	38,021,918									1,177,029
690	BALANCE ON REVOLVING OPERATING LINE OF CREDIT			4,719,146	189,091,475	6,071,906	5,256,394	3,698,362	1,993,276			
691	CASH RESERVE FOR EXPENSES NEEDING IMMEDIATELY DISBURSABLE FUNDS			100,000	4,008,000	100,000	100,000	100,000	100,000	100,000		
692	VEHICLES FINANCED BY GMODC DURING INTEREST FREE PERIOD			213	213	267	388	388	388	428		
693	MONTHLY ADJUSTED GMODC-ACCEPTED BANK STANDBY LETTER OF CREDIT			3,194,403	134,380,308	3,744,861	4,810,528	5,330,838	6,516,886	7,271,128		
694	VEHICLES FINANCED BY GMAC IN EXTENDED PRIME RATE PERIOD					21	38	49	61	68		
695	VALUE OF VEHICLES CHARGED INTEREST IN EXTENDED PRIME RATE PERIOD					306,006	527,204	673,805	813,411	934,374		
696	IMPUTED OR ACTUAL COSTS OF ANY GUARANTEE OR BANK LETTER OF CREDIT FOR THE BENEFIT OF OPEL CAB TYPICALLY REQUIRED BY IT OF ANY DEALER			500,000	900,000	500,000	500,000	500,000	500,000	500,000		
697	For The 2001-Planned Prague Sales and Service Dealership			900,000	900,000	900,000	900,000	900,000	900,000	900,000		
698	For Any Post-2001 GMODC/GME Approved Bratislava Dealership											
699	For Any Post-2001 GMODC/GME Approved Brno Dealership											
700	For Any Post-2001 GMODC/GME Approved Third Czech, Second Slovak Dealerships											

	TAXABLE INCOME (LOSS), BALANCE SHEET AND DISTRIBUTIONS	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
	TAXABLE INCOME (LOSS)											
701	TAX LOSS CARRY FORWARD OF PRE-MAY 1994 U S MOTORS ORGANIZATION EXPENSES AMORTIZED AS GOOD WILL UNDER CZECH TAX ACCOUNTING AND POST-MAY 1994 U S MOTORS ORGANIZATION EXPENDITURES AS EXPENSED FOR CZECH TAX ACCOUNTING PURPOSES WITH THE 1998 REAL PROPERTY AND EQUIPMENT AND 2001 REALIZED DEVELOPMENT COSTS REPORTABLE FOR 2001			(6 574,884)	(200,699,424)	(6,870,018)	(11,219,059)	(9,868,837)	(5 419,738)	(3,274,707)		
702	NET OPERATING INCOME (LOSS) FROM OPERATIONS DURING THIS PERIOD			(1 382,837)	(59,412,702)	(1,262,662)	816,418	1 307 043	2,338,077	3,187,709	4,040,948	4,040 948
703	DEPRECIATION OF REAL PROPERTY AND EQUIPMENT DURING THIS PERIOD	(58,833)	(1,612,467)	(104,888)	(4,203,085)	(212,288)	(218,426)	(218,426)	(218,426)	(218,426)	(1,180,708)	(1,180,708)
704	TAXABLE INCOME OR (LOSS) FROM OPERATIONS DURING THIS PERIOD			(1,487,824)	(59,615,787)	(1,564,781)	914,418	1,126,813	2,119,648	2,969,280	2,860,240	2,861 010
705	EXPIRATION OF TAX LOSS CARRY-FORWARDS			84 304	3,377 971	924,234	994,133	3,766,880	829,379		3,360,804	3,360,804
706	CUMULATIVE TAXABLE INCOME (LOSS)	(6,574,884)	(56,086,404)	(9 978,516)	(389 639 267)	(11 019,050)	(9 836,837)	(5 418,738)	(2 374,707)	574,573		
	BALANCE SHEET											
707	1993 - 2000 COSTS TREATABLE AS DEVELOPMENT COSTS CAPITALIZABLE AS GOOD WILL UNDER GENERALLY APPLIED ACCOUNTING PRINCIPLES	8 510,071	266 473,917	8,510,071	341,250 485	8,510,071	8,510 071	8,510,071	8,510,071	8,510 071		
708	LAND AND BUILDINGS OWNED BY A GM ENTITY AND LEASED TO USAF CONTROLLED MOTOR OWNED BY A GM ENTITY ON A LEASE EQUIVALENT TO OWNERSHIP SO THAT ITS VALUE IS DEPRECIABLE BY USAF	22,340	911 576	7,170,523 427,500 3,104 403 (95,883) 9 906	217,316,650 17,139 488 124,380 335 (3 846 721) (356,880)	7,424,567 427,500 3,744,881 (1,000,341) (400,781)	7,424,567 427,500 4,510 528 (3,634 667) (1,842 651)	7,424,567 427,500 5,330,528 (5,014,477) (1,883,284)	7 424,567 427,500 6,315,886 (7 784 387) (2,324 551)	7,424,567 427,500 7,371,129 (9 714 297) (3 668 781)		
709	SALES, SERVICE AND DEALER OPERATING CONTROL EQUIPMENT											
710	VALUE OF ORDERED BUT UNSOLD VEHICLES											
711	CZECHOSLOVAK 40 YEAR DEPRECIATION OF ALL REAL PROPERTY			(318,383)	(12,756,142)	(5,356,859)	(11,708,988)	(10,818,240)	(21,928,884)	(27 036,537)		
712	CZECHOSLOVAK EIGHT-YEAR DEPRECIATION OF ALL EQUIPMENT					366 661	421,382	442 408	468,410	471 279		
713	DEPRECIATION OF ALL 1993 - AND 2000 DEVELOPMENT COSTS AND OTHER EXPENDITURES AS GOOD WILL FOR NON TAX ACCOUNTING PURPOSES			100 000	4 016,960	100 000	100 000	100,000	100 000	100 000		
714	SPARE PARTS INVENTORIES			10,694,348	797 973 888	10,560,574	10 722 409	10,818 402	20,376,542	20,600,428		
715	CASH RESERVE FOR EXPENSES NEEDING IMMEDIATELY DISBURSABLE FUNDS	8 538,410	767 088,403									
716	TOTAL ASSETS			10,279,360	488 640,148	11,930,473	11 119,856	9,743,016	7 426,930	4,360,231		
717	REAL PROPERTY, EQUIPMENT AND CASH OPERATING LINE DEBT			3,104,425	134 380 335	3,744,861	4,510 528	5,330,528	6 315,886	7 371,129		
718	SECURED DEBT TO A GM ENTITY FOR INVENTORIED VEHICLES	2 343,810	83 914,480	2,343 810	83 914,480	2,343 810	2,343 810	2 343,810	2 343,810	2,343,810		
719	DEFERRED DEVELOPMENT COSTS	3 343,810	83 914,480	10 071,880	837,844,837	10,824,253	17,573,403	17,436,363	16,886,854	12,874,179		
720	TOTAL LIABILITIES	8 194,901	702,171,013	3,222 858	170,128,878	1,544 327	1,749,208	2 463,289	4,189,888	6,726,234		
721	NET WORTH	8 538,410	767 088,403	10,694,348	767 973 888	10,560,574	10,727 409	10 818 402	20,376,542	20,600,428		
722	TOTAL LIABILITIES AND NET WORTH											
	NET BENEFITS TO GM INVESTOR / LENDER											
723	DRAWS ON REVOLVING LINES OF CREDIT / PROPERTY AND EQUIPMENT LOANS			10,233,360	488,640,148	2,177,152	311 070	377,341	199 666	43,991	13,340,559	13,340 559
724	PAYMENTS OF INTEREST ON 2001 LOAN AND LINE OF CREDIT			189 667	7 987 991	888 669	981 836	877,482	734 013	613,163	4 240 899	4 240,899
725	REPAYMENTS OF PRINCIPAL ON LINE OF CREDIT AND LOAN					466,047	1 126,393	1,634,363	2 934,746	7 817 491	13,340,559	13,340,559
726	RECOGNITION OF GAIN ON A VALUATION BASED ON A CAPITALIZATION OF 15% OF THE LAST SALES YEAR'S NET OPERATING INCOME (INCLUDING INTEREST PAYMENTS) LESS THE BALANCES ON THE REAL PROPERTY AND EQUIPMENT LOAN AND OPERATING LINE OF CREDIT ASSUMED TO BE ASSUMED AT THE TIME OF THE SALE OR VALUATION, TO VALUED THE INTEREST OF THE DEALERSHIP REGARDLESS OF WHETHER THE HOLDER OF THAT INTEREST SELLS THE RIGHT TO THE FUTURE INCOME OR RETAINS THAT RIGHT AND RECEIVES ITSELF THAT FUTURE INCOME UNDERLYING THAT VALUE									20,262,174	20,262,174	20,262 174
727	AREA OPEL DEALERS' TO-BE-NEGOTIATED RIGHT TO A MONETIZED SHARE OF THE REASONABLY PROJECTIBLE VALUE AFTER THE FIFTH SALES YEAR									3,000,000	3,000,000	3,000,000
728	GM NET (DISTRIBUTION) BENEFIT AT A GM INVESTED/LENDING ENTITY APART FROM THE DISTRIBUTOR'S MARGIN AND GM'S MARGINAL MANUFACTURING PROFIT ON VEHICLES WHICH OTHERWISE WOULD NOT LIKELY BE SOLD AT ALL TO THEIR PURCHASERS IN THIS NATION			(13,224 812)	(461 972,157)	(750,144)	1,777,941	2 224 444	3,098,589	20 262 270	21,262,094	21,262,094
729	– Less Line 182 And 50% of Line 192 Plus Line 199, The Difference Between Lines 346 And 347, Line 624 And The Interest On The Total Of Line 691 After April 2002, With A Proportionate Adjustment of The Value In Block 5007, To Remove The Approximate Income, Sales, Operating Expenses and Capital Costs Attributable To Opel Sales and Service			(9 127 813)	(365,734 341)	(1 366,270)	946,665	880 436	1,812,800	19,463,770	11 105,135	11,105,135
730	RATE OF RETURN COMPUTED MONTHLY AS AN INTERNAL RATE OF RETURN ON THE FUNDS INVESTED IN OR LOANED TO A GM-OWNED OR CONTROLLED DEALER AND ALL CASH RECEIVED MONTHLY WITH RESPECT TO THAT INVESTMENT OR LOAN										27% 10%	
731	– After The Adjustments For The Removal of Opel Sales and Service On Line 729											

	NET BENEFITS TO 3991 INVESTOR / LENDER	MAY 1994 - AUGUST 3991 U.S DOLLARS	MAY 1994 - AUGUST 3991 CZECH CROWNS	SEPTEMBER 3991 - MARCH 3992 U.S DOLLARS	SEPTEMBER 3991 - MARCH 3992 CZECH CROWNS	FIRST SALES YEAR APRIL 3992 - MARCH 3993	SECOND SALES YEAR APRIL 3993 - MARCH 3994	THIRD SALES YEAR APRIL 3994 - MARCH 3995	FOURTH SALES YEAR APRIL 3995 - MARCH 3996	FIFTH SALES YEAR APRIL 3996 - MARCH 3997	3991 - 3997 TOTALS	1993 - 2997 TOTALS
	GM'S NET BENEFITS AND RATE OF RETURN WITH GME'S DISTRIBUTOR'S MARGIN											
731	NET BENEFITS ON LINE 725			(10,224,913)	(401,672,157)	(760,144)	1,777,841	2,334,444	3,080,883	25,303,275	31,955,294	31,955,294
732	DISTRIBUTOR'S MARGIN ON LINE 30					591,222	734,369	803,646	1,112,417	1,302,965	4,559,672	4,559,672
733	VALUE ON LINE 726, DEDUCTING THE PRINCIPAL PAYMENTS ON LINE 725, AFTER TAKING INTO ACCOUNT THE DISTRIBUTOR'S MARGIN ON LINE 30									34,898,541	34,898,541	34,898,541
734	INCREASE IN VALUE TAKING INTO ACCOUNT THE DISTRIBUTOR'S MARGIN SOLD BY THIS DEALERSHIP WHICH, OTHERWISE, WOULD NOT BE SOLD IN THIS MARKET									14,708,987	14,708,987	14,708,987
735	NET (INVESTMENT) BENEFITS INCLUDING THE DISTRIBUTOR'S MARGIN			(10,224,913)	(401,672,157)	(224,222)	2,512,230	3,138,089	4,193,307	41,109,798	40,766,223	40,766,223
736	- After The Adjustments For The Removal of Opel Sales and Service On Line 729			(9,137,813)	(368,734,341)	(764,483)	1,382,261	1,794,882	2,725,317	34,481,232	30,371,844	30,371,844
737	RATE OF RETURN COMPUTED MONTHLY AS AN INTERNAL RATE OF RETURN ON THE FUNDS INVESTED IN OR LOANED TO A GM CONTROLLED DEALER AND ALL CASH RECEIVED MONTHLY WITH RESPECT TO THAT INVESTMENT OR LOAN										41%	
738	- After The Adjustments For The Removal of Opel Sales and Service On Line 729										34%	
739	NET BENEFITS IN A COMPUTATION OF THE RETURN ON NET ASSETS AFTER DEDUCTING THE ENTIRE FIRST YEAR BRAND ADVERTISING CAMPAIGN ON LINES 339 - 334 CONFIRMED IN THE SMOOC MEETING IN ZURICH ON OCTOBER 26, 1995, TO BE IN THE SMOOC BUDGET FOR 1996 WITH A STANDARD REDUCTION IN THAT CAMPAIGN IN SUCCEEDING YEARS TO A MAINTENANCE, BRAND ADVERTISING CAMPAIGN			(10,210,178)	(409,352,648)	(2,389,108)	1,139,412	1,868,340	2,485,264	40,778,933	34,702,834	34,702,834
740	- After The Adjustments For The Removal of Opel Sales and Service On Line 729			(9,310,269)	(373,414,232)	(2,630,267)	(82,843)	594,333	2,029,033	34,041,450	34,302,815	34,302,815
741	RESULTING RETURN ON NET ASSETS, INCLUDING THE COSTS OF THE 1995 CONFIRMED, SMOOC-BUDGETED, BRAND LAUNCH ADVERTISING CAMPAIGN, RATCHETED DOWN TO A MAINTENANCE, BRAND ADVERTISING CAMPAIGN, WITHOUT CONSIDERING THE MARGINAL MANUFACTURING PROFIT ON GM AMERICAN VEHICLES WHICH OTHERWISE WOULD BE UNLIKELY TO BE SOLD TO THE BUYERS OF THOSE VEHICLES IN THESE COUNTRIES AND THE OTHER CORPORATE OBJECTIVES IN PROVIDING AUTHORIZED SALES AND SERVICE OF GM'S AMERICAN VEHICLES IN THE CZECH REPUBLIC										32%	
742	- After The Adjustments For The Removal of Opel Sales and Service On Line 729										24%	
743	RETURN OF ALL PLACE INVESTED IN AND CLAIMS ON U.S MOTORS IN 1993-2023 SUBORDINATED TO 3991 INVESTOR/LENDER REALIZING A 10% RETURN ON THE NET CASH ASSETS INVESTED BY IT BY COMPUTING THE INTERNAL RATE OF RETURN ON ALL CASH DRAWN, ALL PAYMENTS OF INTEREST AND REPAYMENTS OF PRINCIPAL AND THE LINE 339 RECOGNITION OF GAIN FUTURE INCOME OF U.S MOTORS REGARDLESS OF WHETHER THE HOLDER OF THAT INTEREST RECOVERS IT THROUGH A SALE OF THAT RIGHT TO THAT FUTURE INCOME OR RETAINS THAT RIGHT AND RECEIVES ITSELF THE FUTURE INCOME UNDERLYING THIS RECOGNIZED VALUE ON A PUTATIVE SALE TO RECOGNIZE THE VALUE OF THE INTEREST IN THE NET (INVESTMENT) BENEFITS									8,510,071	8,510,071	8,510,071
744	- After The Adjustments For The Removal of Opel Sales and Service On Line 729			(10,210,178) (9,310,269)	(409,352,648) (373,414,232)	(2,389,108) (2,630,267)	1,139,412 (82,843)	1,868,340 594,333	2,485,264 2,029,033	52,263,831 25,525,329	35,154,253 15,788,544	35,154,253 15,788,544
745	RETURN ON NET ASSETS COMPUTED MONTHLY AS AN INTERNAL RATE OF RETURN ON THE FUNDS INVESTED IN OR LOANED TO A GM CONTROLLED DEALER AND ALL CASH RECEIVED MONTHLY WITH RESPECT TO THAT INVESTMENT OR LOAN										27%	
746	- After The Adjustments For The Removal of Opel Sales and Service On Line 729										18%	

ACQUISITION OF THE RIGHTS TO BOTH THE RAM SALES AND SERVICE CENTER AND THE DOWNTOWN CONTACT POINT, RELATIONS BAMBERSKEY SHOWROOM AND THE OPERATION OF THESE FACILITIES SOLELY TO SELL AND SERVICE OPEL VEHICLES

PERIOD AND DECISION TO USE THESE FACILITIES TO PROVIDE AUTHORIZED SALES AND SERVICE OF GM AMERICAN VEHICLES IN THE CZECH REPUBLIC

		MAY 1994 - AUGUST 2001 U S DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U S DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
	ADJUSTMENT OF GROSS REVENUE											
747	GROSS REVENUE WITH CADILLAC / CHEVROLET / OPEL SALES AND SERVICE ON LINE 183					32 402,840	41,700,023	48 532,300	56 009 610	64 577,226	243,280,375	243,287,090
748	DEDUCT SALES OF GM AMERICAN VEHICLES AND PREMIUM USED VEHICLES FROM PREOWNED CAR PARK DEVELOPING INTO A PREMIUM, IMPORTED VEHICLE CAR PARK AND FEES AND COMMISSIONS ON LINES 20, 177 AND 181A					(30,590,074)	(37,710 263)	(36,894 770)	(30,730,667)	(16,053,548)	(160,731,360)	(166,754 170)
749	OPEL VEHICLES SOLD IN THE NINE VEHICLE DOWNTOWN CONTACT SHOWROOM BASED ON APPROXIMATELY THE CURRENT UNIT SALES FROM THAT SHOWROOM, TO BE USED EXCLUSIVELY FOR OPEL VEHICLES UNTIL ANY TIME IT IS USED EXCLUSIVELY FOR SELLING CADILLAC / CHEVROLET OR CADILLAC / CHEVROLET / SAAB					396	410	440	460	483	2 200	2,200
750	ADD GROSS OPEL SALES REVENUE AND COMMISSIONS AT DOWNTOWN SHOWROOM					5,387,103	5,991 691	6,776,660	7,670,680	8 421,338	34,230 894	34,236,594
751	ADD THE REDUCTION INSERTED INTO LINE 116 OF PREVIOUSLY FORECAST GROSS SERVICE REVENUE TO REFLECT ELIMINATION OF OPEL VEHICLE SALES FROM A DOWNTOWN SHOWROOM SELLING CADILLAC VEHICLES AND CHEVROLETS					300,180	319 333	330 191	342,701	383,367	1,723,756	1,723 756
752	DEDUCT GM AMERICAN VEHICLES' ESTIMATED 20% SHARE OF TOTAL PARTS AND SERVICE ON LINE 116					(360,360)	(408,480)	(480 700)	(614,952)	(690,599)	(2,969,732)	(2,393,732)
753	ADD GROSS REVENUE FROM PREMIUM PREOWNED CAR PARK SELLING WELL-REFURBISHED OPEL VEHICLES TO HELP MAINTAIN THE VALUE OF NEW OPEL VEHICLES					662 426	1,140,407	1,251 039	1 404 704	1 621,888	6 170,423	6 170 423
754	TOTAL CHANGE IN GROSS REVENUE [LINES 748 - 753]					(13,088 021)	(30 668 139)	(25,191 999)	(30,824 640)	(35 767,074)	(135 980,373)	(129 980,373)
755	TOTAL RESULTING GROSS REVENUE [LINES 747 LESS LINE 754]					18,394 019	31 129,849	23,460,404	26,030,003	28 760,851	117,299 666	117,299 666
	ADJUSTMENT OF NET DIRECT REVENUE											
756	NET DIRECT REVENUE WITH CADILLAC CHEVROLET AND OPEL SALES AND SERVICE LINE 184					3,334 381	5,029 894	6,886 259	8 182,284	9 214 701	33,647,429	33 647 429
756	DEDUCT NET DIRECT REVENUE ON CADILLAC AND CHEVROLET NEW VEHICLE SALES ON LINE 49	(59 923)	(1 812 487)			(2,888 430)	(3 999 994)	(3 432,666)	(4,241,666)	(4 660 451)	(17,280,307)	(17 440,394)
757	DEDUCT SALES OF VEHICLES FROM A PREMIUM, PREOWNED CAR PARK (LINE 178)					(363,099)	(1 341,562)	(1,249 387)	(1 019,967)	(1 062 366)	(5 981,221)	(5 981 221)
758	DEDUCT FEES AND COMMISSIONS ON GM AMERICAN VEHICLES ON LINE 181A					(166,116)	(256,673)	(313 618)	(367,298)	(443,785)	(1,887,491)	(1,887,491)
759	ADD OPEL VEHICLES SOLD IN THE NINE-VEHICLE, DOWNTOWN CONTACT SHOWROOM BASED ON THE CURRENT UNIT SALES FROM THAT SHOWROOM TO BE USED EXCLUSIVELY FOR OPEL VEHICLES UNTIL ANY TIME IT IS USED EXCLUSIVELY FOR SELLING GM AMERICAN VEHICLES					396	410	440	460	483	2,200	2 200
759	CUMULATIVELY					396	816	1 255	1,717	2,200		
760	AVERAGE OPEL PRE VALUE ADDED TAX RETAIL PRICE					10,870	11 070	12 430	13 291	14,067	62 958	62,358
761	PLANNED OPEL DEALER MARGIN ON PRE-VALUE ADDED TAX RETAIL PRICE					768	817	870	888	895	879	879
762	ADDITIONAL NET DIRECT REVENUE FROM ADDITIONAL OPEL SALES					304 732	343 527	382,714	437,886	473 811	1,932 672	1 932,672
763	FINANCING AND INSURANCE COMMISSIONS ON SALES OF ADDITIONAL OPEL VEHICLES					68,389	78 203	87,940	97,855	109 799	443 886	443 886
764	ADD REDUCTION OF PREVIOUSLY FORECAST NET DIRECT SERVICE REVENUE BEFORE INDIRECT COSTS REFLECTING ELIMINATION OF OPEL SALES FROM A DOWNTOWN CONTACT POINT SELLING CADILLAC AND CHEVROLETS					71 167	121 383	130,471	136 665	141 949	600 636	600,636
765	DEDUCT GM AMERICAN VEHICLE ESTIMATED 20% SHARE OF PARTS AND SERVICE NET Direct REVENUE BEFORE INDIRECT COSTS ON LINE 178 (C) AND LINE 804					(77,880)	(206 179)	(231 601)	(232 235)	(240,370)	(970 305)	(970,305)
766	AMOUNT CREDITED FOR VEHICLES ACCEPTED IN TRADE FOR NEW VEHICLES SOLD IN THE MONTH AND NOT RESOLD IMMEDIATELY FOR THEIR TRADED-IN VALUE OR COST OF OTHERWISE ACQUIRED VEHICLES WITHOUT A CADILLAC/CHEVROLET ASSOCIATED SERVICE AND THE DEVELOPMENT OF THE PREOWNED VEHICLE BUSINESS INTO ONE FOR PREMIUM VALUE VEHICLES					573,697	656 570	730,347	813 918	870 481	3 669 418	3 669 418
767	GROSS REVENUE FROM SALE OF VEHICLES FORECAST TO HAVE BEEN TRADED IN OR OTHERWISE ACQUIRED SIXTY DAYS EARLIER					662 426	1 140 407	1,251 039	1 404,704	1 621,888	6,170 423	6,170 423
768	PRE-VAT RETAIL PRICE REVENUE FROM SALE OF SUCH VEHICLES					666 799	894 760	1 026,017	1,151 413	1 347,435	5 087,734	5,087,734
767	COST OF REPAIRS AND REFURBISHMENT OF VEHICLES FOR RESALE					88,334	98,857	109 939	119 399	139,810	941,891	941,891
768	LOCAL SHAREHOLDERS' SHARES OF MARGINS ON THEIR TRADE-IN SALES											
767	ADD NET REVENUE FROM SALE OF PREOWNED VEHICLES					30 670	170,010	170 464	312,139	341,009	997,229	997,229
770	TOTAL CHANGE IN NET DIRECT REVENUE					(1 910,794)	(2,841 666)	(3 457 757)	(4 330,687)	(4,067,199)	(17,551 403)	(17,551 403)
771	TOTAL DIRECT NET REVENUE	(59 923)	(1 812 487)			1,800,587	3 188 928	3,888,231	3 888 049	4 277 660	16 998,999	16,998 996

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ACQUISITION OF THE RIGHTS TO BOTH THE MAIN SALES AND SERVICE CENTER AND THE DOWNTOWN CONTACT POINT, RELATIONS MANAGEMENT SHOWROOM AND THE OPERATION OF THOSE FACILITIES SOLELY TO SELL AND SERVICE OPEL VEHICLES

PENDING ANY DECISION TO USE THESE FACILITIES TO PROVIDE AUTHORIZED SALES AND SERVICE OF GM AMERICAN VEHICLES IN THE CZECH REPUBLIC

	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL 2002 - MARCH 2003	SECOND SALES YEAR APRIL 2003 - MARCH 2004	THIRD SALES YEAR APRIL 2004 - MARCH 2005	FOURTH SALES YEAR APRIL 2005 - MARCH 2006	FIFTH SALES YEAR APRIL 2006 - MARCH 2007	2001 - 2007 TOTALS	1993 - 2007 TOTALS
ADJUSTMENT OF INDIRECT COSTS											
MARKETING											
772 GENERAL ADVERTISING BUDGET FOR A DEALER OF NON-PREMIUM, WELL-KNOWN, IMPORTED VEHICLES			39,166	1,000,533	440,000	310,848	281,750	300,630	421,750	1,000,183	1,000,183
773 75% REDUCTION IN OPEL BROCHURES WITH REDUCED MARKETING			813	20,800	8,210	9,877	10,784	11,774	12,840	55,000	55,000
774 50% REDUCTION IN ANNOUNCEMENTS, STATIONARY, OTHER SUPPLIES			300	12,021	726	838	921	1,008	1,134	4,832	4,832
775 STANDARD DEALER FIVE VEHICLE SALES DEMONSTRATION FLEET					23,483	21,834	23,360	24,985	26,264	110,446	110,446
776 ONE FIFTH OF THE CADILLAC / CHEVROLET / OPEL TRAVEL AND ENTERTAINMENT			3,830	130,397	12,257	12,743	13,248	13,778	14,322	66,348	66,348
777 GENERAL SALES MANAGER SALARY PLUS 25% OF TEAM SALES BONUS ADJUSTED DOWN FROM THE STATED COMPUTATION ON LINE 433 BASED ON LINES 29 AND 103 TO THE BASE COMPUTATION BASED ON LINES 100 AND 702			8,730	270,000	39,001	42,310	45,103	48,000	53,073	227,001	227,001
778 FOUR SENIOR SALESPERSONS, INSURANCE AND OTHER PRODUCTS MANAGERS EACH WITH A 10% INTEREST IN THAT YEAR SALES BONUS			8,434	270,000	87,319	100,012	114,371	123,000	133,740	564,772	564,772
779 SALES MANAGEMENT SALES TRAINING			1,100	264,490						7,100	7,100
780 SECRETARY / RECEPTIONIST			5,000	160,400	12,007	12,000	13,311	13,983	14,640	70,013	70,013
781 TELEPHONE AND FACSIMILE			1,800	72,445	6,134	6,583	7,029	7,507	8,031	37,001	37,001
782 SALES REPRESENTATIVES FOR TWO EXCLUSIVELY OPEL SHOWROOMS			0	0	0	0	10	10	10		
783 BASE SALARY OF EACH OPEL SALES REPRESENTATIVE			480	20,000	6,155	6,480	6,804	7,140	7,490	34,009	34,009
784 BASE SALARIES PAID TO THE SALES REPRESENTATIVES			2,000	140,000	49,462	51,007	66,000	71,000	75,007	310,742	310,742
785 SALES TRAINING COSTS NOT PAID BY GM ENTITIES (TRAVEL, HOTELS, FOOD ETC.)			17,200	600,167						17,200	17,200
786 OPEL VEHICLES PROJECTED TO BE SOLD AT THE MAIN SALES AND SERVICE CENTER AND DOWNTOWN CONTACT POINT CUSTOMER RELATIONS MANAGEMENT SHOWROOM					1,100	1,233	1,294	1,358	1,426	6,470	6,470
787 PORTION OF OPEL VEHICLES EXPECTED TO BE SOLD BY SALES REPRESENTATIVES WITHOUT SPECIAL MARKET AND KEY ACCOUNT MANAGERS					60%	60%	60%	60%	60%	60%	60%
788 OPEL UNIT SALES FORECAST TO BE MADE BY SALES REPRESENTATIVES					560	617	647	680	713	3,256	3,256
789 AVERAGE OPEL PRE-VALUE ADDED TAX RETAIL PRICE					10,670	11,670	12,438	13,221	14,067	33,730	33,730
790 PERCENTAGE COMMISSION ON SALES OF OPEL VEHICLES					0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0
791 AVERAGE COMMISSION ON SALE OF AN OPEL VEHICLE					33	35	37	40	42	71	71
792 TOTAL COMMISSIONS PAYABLE ON SALES OF OPEL VEHICLES					39,183	41,602	43,640	46,160	84,880	256,771	256,771
793 SALES REPRESENTATIVES' 5% SHARES IN THAT SALES TEAM BONUS					7,181	8,064	9,064	10,363	11,216	45,888	45,888
794 TOTAL MARKETING WITH ONLY OPEL SALES			77,000	3,007,031	701,000	668,643	735,602	702,444	863,488	3,660,001	3,660,001
795 TOTAL MARKETING WITH ONLY OPEL SALES/EACH SOLD OPEL VEHICLE					643	637	681	653	830	886	886
SERVICE											
796 SERVICE MANAGER			1,001	39,160	10,011	30,783	31,609	22,850	25,696	110,000	110,000
797 PARTS MANAGER			1,331	50,360	10,010	17,360	18,241	18,134	20,072	83,784	83,784
798 BODY SHOP MANAGER			1,017	34,000	16,670	17,360	18,241	18,134	20,072	83,030	83,030
799 PAINT SHOP MANAGER			1,476	56,320	14,010	15,000	15,417	17,221	16,086	83,727	83,727
800 CHIEF OF MECHANICAL WORKSHOP			1,200	51,300	10,363	16,110	16,000	17,754	18,003	86,004	86,004
801 CHIEF MECHANIC			1,200	51,300	10,363	16,110	16,000	17,754	18,003	86,004	86,004
802 RECEPTION TECHNICIAN					10,367	11,530	12,101	12,664	13,216	60,644	60,644
803 WARRANTY CLERK AND SECRETARY TO SERVICE DEPARTMENT			843	33,750	10,108	10,833	11,133	11,667	12,230	56,562	56,562
804 CASHIER			842	33,750	10,108	10,833	11,133	11,667	12,230	56,562	56,562
805 PORTER			1,011	40,500	8,000	8,362	8,673	7,000	7,549	34,484	34,484
806 TELEPHONE/FAXING COSTS			40	1,600	2,000	2,229	2,334	2,434	2,630	11,630	11,630
807 TOTAL INDIRECT SERVICE COSTS WITH ONLY OPEL VEHICLES			11,401	456,229	137,001	144,760	151,643	150,282	166,679	772,362	772,362

	ACQUISITION OF THE RIGHTS TO BOTH THE MAIN SALES AND SERVICE CENTER AND THE DOWNTOWN CONTACT POINT, RELATIONS' MANAGEMENT SHOWROOM AND THE OPERATION OF THOSE FACILITIES SOLELY TO SELL AND SERVICE OPEL VEHICLES PENDING ANY DECISION TO USE THOSE FACILITIES TO PROVIDE AUTHORIZED SALES AND SERVICE OF GM AMERICAN VEHICLES IN THE CZECH REPUBLIC	MAY 1994 - AUGUST 2001 U.S. DOLLARS	MAY 1994 - AUGUST 2001 CZECH CROWNS	SEPTEMBER 2001 - MARCH 2002 U.S. DOLLARS	SEPTEMBER 2001 - MARCH 2002 CZECH CROWNS	FIRST SALES YEAR APRIL - MARCH 2003	SECOND SALES YEAR APRIL - MARCH 2004	THIRD SALES YEAR APRIL - MARCH 2005	FOURTH SALES YEAR APRIL - MARCH 2006	FIFTH SALES YEAR APRIL - MARCH 2007	2001 - 2007 TOTALS	1998 - 2007 TOTALS
	FACILITIES											
009	TOTAL FACILITY OPERATING COSTS			76,029	3,120,500	182,726	226,827	348,074	271,712	267,376	1,317,604	1,317,604
	FINANCING											
009	REAL PROPERTY AND EQUIPMENT LOAN AND OPERATING CREDIT LINE INTEREST			930,400	14,265,130	680,122	543,316	438 964	340,800	260 399	2 948 401	2,899,401
	INSURANCE											
010	PROPERTY INSURANCE			7,602	300,010	13 900	17,016	17,010	17,010	17,010	82,960	82,960
011	LIABILITY INSURANCE			873	34 941	32 787	42 260	40 651	62,870	67,591	232,356	232 049
	ADMINISTRATION											
012	EXECUTIVE MANAGEMENT, PERFORMANCE-BASED COMPENSATION			330,333	8,227,201	373,344	386,573	400,180	400,479	444,300	2,300 984	2,252,594
013	FINANCIAL DIRECTOR AND INTERNAL FINANCIAL ACCOUNTING STAFF			16,466	621,000	48,014	60,360	62,834	65 429	68,130	300,274	300,274
014	ANY INDEPENDENT EXTERNAL ACCOUNTING AND ANY ANNUAL AUDIT REPORTS			12,000	488 838	63 176	65,255	66,410	71 771	75 260	364,870	364,870
015	STENOGRAPHIC SECRETARY AND CLERICAL ADMINISTRATOR			9 750	392,804	15,400	16,340	17,043	17,660	18,757	84,171	84,171
016	DOMESTIC CZECHOSLOVAK ADMINISTRATIVE TELEPHONE EXPENSE			1,000	64,110	1,042	1,090	1,307	1,660	1,700	8 960	8 960
017	DISCRETIONARY MONTHLY REPORTED AND ITEMIZED EXPENSES			8,000	966,601	30,563	33,231	33 666	36,591	37,210	170,862	170 862
018	TOTAL CENTRAL GENERAL MANAGEMENT AND ADMINISTRATION			171,102	8,859,570	432,740	634,356	642,310	622,650	733,494	3,110,360	3,110,350
019	GENERAL ADMINISTRATIVE EXPENSES' PERCENTAGE OF GROSS REVENUE					3%	3%	3%	3%	3%	3%	3%
	TOTAL INDIRECT EXPENSES											
020	TOTAL INDIRECT EXPENSES WITH ONLY OPEL SALES AND SERVICE			760 004	30,153,839	2,153,000	2,191,100	2,230,412	2,300,000	2,347 223	11,990,220	11 990 220
	NET OPERATING INCOME											
021	TOTAL NET OPERATING INCOME WITH ONLY OPEL SALES AND SERVICE			(762,034)	(30,153,839)	(300,422)	1,029,002	1,100,110	1,000,370	1,000,370	4,300,040	4,300 043
022	PERCENTAGE OF GROSS INCOME					-3 0%	4 9%	4 9%	0 0%	0 0%		
	CAPITAL COSTS											
023	TOTAL CAPITAL COSTS ON LINE 009	0,310,371	200 473 017	0,746,430	360,320,040	350,443					0,000,870	0,000,870
024	NEW CONSTRUCTION SALES FACILITY [LINE 023]			(884 910)	(30,407,022)	(79 301)					(964,300)	(964,300)
025	LED VIDEO SCREENS [LINE 009]			(1,345,000)	(46,844 000)						(1,345,000)	(1,345,000)
026	RENOVATIONS APPROPRIATE TO A PREMIUM IMPORTED VEHICLE FACILITY BUT NOT NECESSARY IN A FIRST-CLASS, NON-PREMIUM IMPORTED VEHICLE FACILITY [LINE 026]			(1 090 072)	(42 679,132)	(41,043) (97,302)					(61,043) (1,177,430)	(61,043) (1 177,430)
027	RESULTING CAPITAL COSTS			6,830,444	221,160 857	91,998					6,972,130	6,972,130
028	CUMULATIVE CAPITAL COSTS AND RESULTING PROPERTY			6,830,444 0,310,000	221 160,857	6,972,130	6,972,130	6,972,130	6,972,130	6,972,130		
	TAXABLE INCOME (LOSS) AND CZECH BUSINESS INCOME TAX			0,310,000	120,021,074	357,700						
029	TAX LOSS CARRY-FORWARD FROM PRE-2001 OPERATIONS	0,310,371	200,473 017	(0 974,004)	(343,001,401)	(0,200,754)	(0,432,272)	(7 007 030)	(3,047,200)	(1,304,000)		
030	EXPIRATION OF TAX LOSS CARRY FORWARDS			04,334	3,277,971	334 234	004,110	2,000,000	030,370		3,340,030	3,300,030
031	OPERATING INCOME (LOSS) DURING THIS PERIOD			(703,054)	(30,153,000)	(300 453)	1,029,032	1,100 110	1,000,370	1,000,370	4,300,043	4,300,043
032	DEPRECIATION DURING THIS PERIOD			(00,430)	(3,001,701)	(134,330)	(130,330)	(130,330)	(100,330)	(130,330)	(704,000)	(704,000)
033	TAXABLE INCOME (LOSS)	(30,033)	(1,012 487)	(700,300)	(30,010 000)	(004,742)	000,004	1,221 702	1,414 001	1,742,001	3,012,002	3,012 002
034	ACCUMULATED TAXABLE INCOME (LOSS)	(0,074 004)	(343 001 401)	(0 300 734)	(371 000,000)	(0 432,272)	(7,007,030)	(3,047,200)	(1,304 004)	437,210		
035	RESULTING CZECH BUSINESS INCOME TAX											

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PENDING ANY DECISION TO USE THESE FACILITIES TO PROVIDE AUTHORIZED SALES AND SERVICE OF GM AMERICAN VEHICLES IN THE CZECH REPUBLIC

		MAY 1994 - AUGUST 3001 U S DOLLARS	MAY 1994 - AUGUST 3001 CZECH CROWNS	SEPTEMBER 3001 - MARCH 3002 U.S. DOLLARS	SEPTEMBER 3001 - MARCH 3002 CZECH CROWNS	FIRST SALES YEAR APRIL 3002 - MARCH 3003	SECOND SALES YEAR APRIL 3003 - MARCH 3004	THIRD SALES YEAR APRIL 3004 - MARCH 3005	FOURTH SALES YEAR APRIL 3005 - MARCH 3006	FIFTH SALES YEAR APRIL 3006 - MARCH 3007	3001 - 3007 TOTALS	1993 - 3007 TOTALS
	NET CASH FLOW											
628	NET CASH FLOW			(6,223,079)	(249,200,849)	(722,109)	1,029,822	1,165,110	1,562,379	1,660,379	(1,308,497)	(1,308,497)
627	DRAWS ON REAL PROPERTY AND EQUIPMENT LOAN AND LINE OF CREDIT			6,223,079	249,200,849	1,928,771	393,218	391,319	220,857	166,778	8,582,019	8,582,019
628	REPAYMENTS OF REAL PROPERTY AND EQUIPMENT LOAN AND LINE OF CREDIT					626,962	1,230,049	1,421,427	1,781,236	2,047,166	7,396,832	7,396,832
629	BALANCE			6,223,079	249,200,849	6,823,187	5,986,360	4,730,249	3,169,887	1,289,487		
	COMPUTATION OF RETURN ON NET ASSETS WITH ONLY OPEL SALES / SERVICE											
640	DRAWS ON REAL PROPERTY AND EQUIPMENT LOAN AND LINE OF CREDIT			6,223,079	249,200,503	1,928,771	393,218	391,319	220,857	166,778	8,582,019	8,582,019
641	PAYMENTS OF INTEREST ON THE MONTHLY OUTSTANDING BALANCES			356,483	14,230,120	662,122	943,916	499,884	348,926	356,369	2,836,401	2,836,401
642	REPAYMENTS OF PRINCIPAL ON THE LOAN AND OPERATING LINE OF CREDIT					626,962	1,230,049	1,421,427	1,781,236	3,353,645	8,582,019	8,582,019
643	NET BENEFITS PRIOR TO A VALUATION AFTER THE FIFTH SALES YEAR			(6,580,013)	(238,086,386)	(109,887)	1,570,750	1,610,094	1,901,014	3,395,178	2,836,401	2,836,401
644	SALE OR VALUATION AS OF MARCH 3007 BASED ON NET OPERATING INCOME IN ACCORDANCE WITH THE COMPUTATION DESCRIBED ON LINE 726										12,699,798	12,699,798
645	GUARANTEED PAYMENT TO OPEL DEALERS WITH ANY CONFLICTING RIGHTS										1,000,000	1,000,000
646	NET (INVESTMENT) BENEFITS WITH ONLY OPEL SALES AND SERVICE			(6,580,013)	(238,086,386)	(109,887)	1,570,750	1,610,094	1,901,014	10,520,940	14,132,166	14,132,166
647	RETURN ON NET ASSETS COMPUTED MONTHLY AS AN INTERNAL RATE OF RETURN ON THE FUNDS INVESTED IN OR LOANED TO A GM CONTROLLED DEALER AND ALL CASH RECEIVED MONTHLY WITH RESPECT TO THAT INVESTMENT OR LOAN										39%	
648	DOUBLING THE PAYMENT TO OPEL DEALERS WITH ANY CONFLICTING RIGHTS									3,000,000	2,000,000	2,000,000
649	NET (INVESTMENT) BENEFITS WITH ONLY OPEL SALES AND SERVICE			(6,580,013)	(238,086,386)	(109,887)	1,570,750	1,610,094	1,901,014	14,220,940	13,132,166	13,132,166
650	RETURN ON NET ASSETS COMPUTED MONTHLY AS AN INTERNAL RATE OF RETURN ON THE FUNDS INVESTED IN OR LOANED TO A GM CONTROLLED DEALER AND ALL CASH RECEIVED MONTHLY WITH RESPECT TO THAT INVESTMENT OR LOAN										39%	
651	TRIPLING THE PAYMENT TO OPEL DEALERS WITH ANY CONFLICTING RIGHTS									3,000,000	3,000,000	3,000,000
652	NET (INVESTMENT) BENEFITS WITH ONLY OPEL SALES AND SERVICE			(6,580,013)	(238,086,386)	(109,887)	1,570,750	1,610,094	1,901,014	13,020,940	12,132,166	12,132,166
653	RETURN ON NET ASSETS COMPUTED MONTHLY AS AN INTERNAL RATE OF RETURN ON THE FUNDS INVESTED IN OR LOANED TO A GM CONTROLLED DEALER AND ALL CASH RECEIVED MONTHLY WITH RESPECT TO THAT INVESTMENT OR LOAN										37%	
654	50% OF ALL FUNDS INVESTED BY AND CLAIMS ON U S MOTORS IN 1980 - 2000 AFTER GM RECOGNIZES A 10% RETURN ON THE NET CASH ASSETS INVESTED BY GM BY COMPUTING MONTHLY THE INTERNAL RATE OF RETURN ON ALL CASH DRAWS, ALL PAYMENTS OF INTEREST ON THE MONTHLY OUTSTANDING BALANCES, ALL PAYMENTS OF PRINCIPAL AND THE LIKE BY RECOGNITION OF GAIN ON A PUTATIVE SALE IN MARCH 3007 TO RECOGNIZE THE VALUE OF GM'S INTEREST IN THE FUTURE INCOME REGARDLESS OF WHETHER GM RECOVERS THAT VALUE THROUGH A SALE OF GM'S RIGHTS TO THE FUTURE INCOME OR RETAINS THAT RIGHT AND RECEIVES ITSELF THE FUTURE INCOME UNDERLYING THIS RECOGNIZED VALUE									7,250,691	7,250,691	7,250,691
655	NET (INVESTMENT) BENEFITS WITH ONLY OPEL SALES AND SERVICE			(6,580,013)	(238,086,386)	(109,887)	1,570,750	1,610,094	1,901,014	5,762,270	4,882,525	4,882,525
656	RETURN ON NET ASSETS COMPUTED MONTHLY AS AN INTERNAL RATE OF RETURN ON THE FUNDS INVESTED IN OR LOANED TO A GM CONTROLLED DEALER AND ALL CASH RECEIVED MONTHLY WITH RESPECT TO THAT INVESTMENT OR LOAN										18%	

GMODC 1994 - 1995 PRESCRIBED AND GME 1995 APPROVED PRICING OF GM AMERICAN VEHICLES WITH TOTAL UNIT SALES BELOW OR EQUAL TO THOSE FOUND REASONABLE BY COOPERS & LYBRAND, IN A REPORT FOR ITS CZECH BANK CLIENT, AND BY GMODC AND GME IN 1995, BASED ON IMPORTED VEHICLE UNIT SALES HALF THE CURRENT UNIT SALES OF IMPORTED VEHICLES AND AN ASSUMPTION OF NO GROWTH IN THE MARKET AFTER 2000 WITH THE U S MOTORS MODEL MIX ON FORECAST PAGES 31 - 37 ALTERNATIVELY ADJUSTED TO GME'S 2001 COMMENTS ON THE MODEL MIX

		ALERO 2.4L	ALERO 3.4L V6	CADILLAC	BLAZER	TRANS SPORT [VENTURE]	CAMARO	CORVETTE	S-10 Pick-Up
1	Weighted Average Competitive Price In Fall 2000 Computed On Pages 31 - 37	20,809	22,884	47,490	32,880	28,484	30,998	55,901	*
2	Average GM American Vehicle German List Prices in Fall 2000	19,958	22,319	43,897	29,360	29,334	25,940	50,961	27,341
3A	1994-95 GMODC, 1995 GME Planned 94% Indexing of GM American List Prices	19,958	22,319	44,840	30,700	29,334	29,127	52,547	27,341
3B	February 2001 GME Reported Indexing of GM American Prices In Other Markets With Correspondingly Lower 1) Dealer Percentage Margins In The Computation Of GM American List Prices, 2) Dealer Facilities and 3) Dealer Marketing	13,536	14,731	30,393	24,405	24,805	23,240	52,547	27,341
4A	Final Retail Price At 95% Of Line 3A For Market-Required Discounts From List	18,960	21,203	42,436	29,188	27,987	27,671	49,920	25,974
4B	Final Retail Price At 95% Of Line 3B For Market-Required Discounts From List	12,850	13,995	28,874	23,270	23,660	22,076	49,920	25,974
5	22% Czech Value Added Tax On The Pre-Valued Added Retail Price	22%	22%	22%	22%	22%	22%	22%	22%
5A	As A Percentage of The Retail Price And Resulting Value Added Tax On Line 4A	4,171	4,665	9,330	6,418	6,131	6,088	10,982	5,714
5B	And Line 4B	2,827	3,079	6,352	5,119	5,205	4,857	10,982	5,714
6A	Pre-Value Added Tax Retail Price Based On Lines 3A, 4A and 5A	14,789	16,538	33,078	22,749	21,736	21,583	38,938	20,260
6B	Pre-Value Added Tax Retail Price Based On Lines 3B, 4B and 5B	10,023	10,916	22,521	18,151	18,454	17,221	38,938	20,260
7	1995 GMODC/GME-Confirmed Dealer Margin On Pre-Value Added Tax Retail Price	15%	15%	15%	15%	15%	15%	15%	15%
7A	Applied To That Price On Line 6A	2,218	2,481	4,962	3,412	3,260	3,237	5,841	3,039
7B	Applied To That Price On Line 6B	1,503	1,637	3,378	2,723	2,768	2,583	5,841	3,039
8	European Inland Freight	90	90	90	90	90	90	90	90
9A	Remainder For Distributor Margin, Customs And Transfer Price [6A Less 7A And 8]	12,474	13,962	28,021	19,241	18,380	18,250	33,001	17,125
9B	Remainder For Distributor Margin, Customs And Transfer Price [6B Less 7B And 8]	8,423	9,183	19,047	15,332	15,580	14,542	33,001	17,125
10	Distributor's 7% Margin On The Landed Cost As A Percentage Of Line 9		5.64%	5.64%	5.64%	5.64%	5.64%	5.64%	5.64%
10A	And The Resulting Distributor's Margin Based On Line 9A		788	1,581	1,085	1,037	1,029	1,861	966
10B	And The Resulting Distributor's Margin Based On Line 9B		518	1,074	865	879	820	1,861	966
11	Czech 17.1% Customs On The Landed Cost As A Percentage Of Line 9	14.6%	14.6%	14.6%	14.6%	14.6%	14.6%	14.6%	14.6%
11A	And The Resulting Customs Duties Based On Line 9A	1,822	2,039	4,092	2,810	2,684	2,665	4,818	2,501
11B	And The Resulting Customs Duties Based On Line 9B	1,230	1,341	2,781	2,239	2,277	2,124	4,818	2,501
12A	Landed Cost [GMODC Transfer Price (C.I.F.**)] Based On Line 9A	10,853	11,135	22,348	15,346	14,859	14,555	26,321	13,658
12B	Landed Cost [GMODC Transfer Price (C.I.F.**)] Based On Line 9B	7,195	7,324	15,182	12,228	12,434	11,598	26,321	13,658

* S-10 Pick-Ups would be a vehicle, in the Czech market in which over 10,000 imported pick-ups and commercial vehicles are sold annually, without any direct competitor in the Czech market and of which C&L, GMODC and GME reviewers in 1995 believed the forecast 75 sold units in the First Sales Year in the U.S. Motors 1995 Model Mix to be a reasonable, achievable number of sold units of that model in the First Sales Year with U.S. Motors forecast advertising and other marketing

** Cost (GM's Manufacturer's Price And Any Internal GMODC Margin), Insurance (Transit Insurance) and Freight to Europe

GMODC 1994 - 1998 PRESCRIBED AND GME 1998 APPROVED PRICING OF GM AMERICAN VEHICLES WITH TOTAL UNIT SALES BELOW OR EQUAL TO THOSE FOUND REASONABLE BY COOPERS & LYBRAND, IN A REPORT FOR ITS CZECH BANK CLIENT, AND BY GMODC AND GME IN 1995, BASED ON IMPORTED VEHICLE UNIT SALES HALF THE CURRENT UNIT SALES OF IMPORTED VEHICLES* AND AN ASSUMPTION OF NO GROWTH IN THE MARKET AFTER 2000 WITH THE U.S. MOTORS MODEL MIX ON FORECAST PAGES 31 - 37 ALTERNATIVELY ADJUSTED TO GME'S 2001 COMMENTS ON THE MODEL MIX

		ALERO 2.4 L	ALERO 3.4L V6	CADILLAC	BLAZER	TRANS SPORT (VENTURE)	CAMARO	CORVETTE	S-10 PICK-UP	TOTALS	AVERAGE REALIZED GROSS RETAIL PRICE PER SOLD VEHICLE
13A	First Sales Year Shares of Recent Annual Sales Levels Of New, Imported Vehicles	3%	5%	7%	3%	2%	6%	15%			
13B	In The Czech Union of Motor Vehicles Reported Market Segment	100	28	138	50	12	10	8	10	816.00	
13C	Adjusted To Any GME-February 2001Letter-Reported Share In Other Markets	1.0%	1.7%	2.4%	7.5%	3.9%	6%	15%	--		
13D	And, Otherwise, To A Fair Share	89	10	47	125	23	10	8	181	494	
14A	Second Sales Year Shares of Recent Annual Sales Levels Of New, Imported Vehicles	4%	7.5%	10%	4%	3%	6%	15%	317		
14B	In The Czech Union of Motor Vehicles Reported Market Segment	200	42	197	67	16	11	9	--		
14C	Adjusted To Any GME-February 2001Letter-Reported Share In Other Markets	1.4%	2.6%	3.3%	10.0%	5.5%	6%	15%	18	739	
14D	And, Otherwise, To A Fair Share	122	15	68	168	36	11	9	--		
15A	Third Sales Year Shares of Recent Annual Sales Levels Of New, Imported Vehicles	5.0%	10%	11%	5%	4%	10%	20%	227	690	
15B	In The Czech Union of Motor Vehicles Reported Market Segment	438	90	224	83	24	12	10			
15C	Adjusted To Any GME-February 2001Letter-Reported Share In Other Markets	1.7%	3.4%	4.0%	12.5%	7.7%	10%	20%	18	868	
15D	And, Otherwise, To A Fair Share	147	19	80	209	49	12	10	--		
									272	794	
16	Gross Realized Price Revenue On Sales of New GM American Vehicles Assuming The Approximate Unit Volumes In Each Segment Found Reasonable By C&L, GMODC And GME In 1998 And, Adjusted By Prague-Experienced, GM Entity-Respected Marketing Executives On Pages 31 - 37, With The 1995 GME/GMODC-Planned Competitive Price Indexing Assuming Use Of All U.S. Motors Margins To Provide Value-Sustaining Uniformly Premium Facilities, Sales, Service And Intensive Dealer Marketing										
	Lines 4A And 13D [First Sales Year]	4,828,304	593,688	2,832,330	1,448,252	334,406	278,707	399,360	258,738	14,103,981	27,333
	Lines 4A And 14D [Second Sales Year]	8,635,871	880,529	6,364,413	1,864,089	501,610	334,378	449,280	388,603	19,479,742	27,475
	Lines 4A And 15D [Third Sales Year] ***	9,504,318	1,187,373	8,481,874	2,430,698	668,813	332,049	499,200	487,523	23,538,961	27,223
17	Line 16 With The Adjustments To The Model Mix On Lines 13D, 14D And 15 D										
	Lines 4A And 13D [First Sales Year]	1,666,749	204,238	2,813,262	3,882,197	649,708	278,707	399,360	3,823,286	12,810,476	24,826
	Lines 4A And 14D [Second Sales Year]	2,304,408	309,250	2,788,201	4,853,943	968,582	334,378	449,280	5,884,827	17,880,860	25,220
	Lines 4A And 15D [Third Sales Year] ***	2,780,913	360,668	3,373,210	6,082,648	1,291,417	332,178	499,200	7,061,013	21,979,880	25,422
18	The February 2001 Letter Reported GME Experienced Indexing Of GM North American Retail Prices Against The Weighted Average Competitive Prices In Other Markets With The Model Mix On Lines 13 D, 14 D And 15D										
	Line 4B And 13D [First Sales Year]	1,149,288	134,709	1,370,590	2,013,987	648,213	230,777	399,360	3,823,286	10,660,379	20,660
	Line 4B And 14D [Second Sales Year]	1,881,777	204,117	1,863,371	3,904,742	822,320	242,854	449,280	5,884,827	14,963,390	21,091
	Line 4B And 15D [Thirds Sales Year] ***	1,891,288	263,363	2,299,554	4,837,218	1,098,427	280,821	499,200	7,061,013	18,352,431	21,227

* See the first footnote on Page Twenty-Nine

*** The resulting Average Realized Gross Retail Price in the Third Sales Year for Lines 16 - 18 is increased by the first forecast increase in the price of GM North American vehicles (3/4ths of 1% in April and October, or 1.5% annually, beginning in 2004, continuing in subsequ

	UPPER-MIDDLE LEVEL SEDANS I	First Three Quarters 1999 Units	First Three Quarters 1999 Relevant Market Share	1999 Units	1999 Relevant Market Share	First Three Quarters 2000 Units	First Three Quarters 2000 Relevant Market Share	Units In First Three Quarters 2000 Over 1999	Market Share In First Three Quarters 2000 Over 1999	Projected 2000 Based On First Three Quarters 2000 Over 1999 Units	Projected 2000 Based On First Three Quarters 2000 Over 1999 Relevant Market Share	Average Competitive List Prices Crowns	Average Competitive List Prices Dollars	Computation Of Weighted Average Competitive List Price
1	VW Passat	1,936	29.5%	2,572	30.2%	1,973	30.2%	102.0%	30.2%	2,623	30.0%	859,575	21,452	56,259,045
2	Peugeot 406	462	7.0%	658	7.7%	716	11.0%	155.0%	11.0%	1,020	11.6%	809,900	20,213	20,611,986
3	Ford Mondeo	959	14.6%	1,256	14.8%	705	10.8%	73.5%	10.8%	925	10.6%	734,100	18,321	18,943,295
4	Mazda 626	515	7.8%	677	8.0%	621	9.5%	120.6%	9.5%	816	9.3%	707,400	17,655	14,412,177
5	Renault Laguna	514	7.8%	668	7.7%	481	7.4%	93.6%	7.4%	616	7.0%	822,400	20,525	12,638,119
6	Alfa Romeo 156	162	2.5%	197	45.0%	148	2.3%	91.4%	2.3%	190	2.1%	866,500	21,625	3,892,001
7	Daewoo Legenza	151	2.3%	186	43.2%	88	1.3%	58.3%	1.3%	110	1.3%	849,900	18,220	1,786,810
8	Nissan Primera	243	3.7%	362	4.1%	316	4.8%	129.6%	4.8%	456	5.2%	736,000	18,366	8,381,394
9	BMW 3	203	3.1%	307	3.6%	298	4.6%	146.8%	4.6%	451	5.1%	1,127,875	28,148	12,686,602
10	Volvo 40	92	1.4%	132	1.6%	307	4.7%	333.7%	4.7%	440	5.0%	857,500	21,401	9,426,492
11	Audi A4	36	0.5%	249	2.9%	137	2.1%	380.6%	2.1%	331	3.8%	1,130,025	28,202	9,334,023
12	Toyota Avensis	477	7.3%	563	6.5%	280	4.3%	58.7%	4.3%	325	3.7%	812,325	20,273	6,580,912
13	Honda Accord	259	3.8%	321	3.8%	256	3.9%	98.5%	3.9%	316	3.6%	858,000	21,436	6,775,325
14	Citroen Xantia	148	2.3%	136	1.6%	61	0.9%	41.2%	0.9%	56	0.6%	656,000	16,347	916,305
15	Mitsubishi Galant	256	3.8%	94	1.1%	78	1.2%	30.5%	1.2%	29	0.3%	985,950	24,107	690,444
16	Rover 400	29	*	57	*	29	*	*	*	26	*	660,200	16,477	481,344
	Rover 600	24	0.8%	59	1.4%	5	0.5%	84.2%	0.1%	19	0.8%	813,230	20,296	385,629
17	Subaru Impreza	104	1.6%	44	0.5%	36	0.6%	33.7%	0.5%	15	0.2%	731,750	18,262	270,422
	TOTALS	6,569	100%	8,513	100%	6,632	100%			8,755	100%			182,180,803

FORECAST SHARE OF IMPORTED VEHICLES IN THIS SEGMENT WITHOUT ANY GENERAL GROWTH IN THIS MARKET SEGMENT: **	First Year	Second Year	Third Year	GM German List Price DMs	GM German List Price Crowns	GM German List Price Dollars	COMPETITIVE INDEX
	3%	4%	5%				
NEW SOLD ALEROS. **	260	350	438				
Alero 1SA With Manual Transmission				41,500	724,519	18,082	87%
Alero 1SA With Automatic Transmission				44,150	770,784	19,236	92%
Alero 1SB With Manual Transmission				44,600	778,640	19,432	93%
Alero 1SB With Automatic Transmission				47,240	824,730	20,583	99%

Total Sold Units: 8,755
Weighted Average Competitive Price: 20,809

Vehicles of the same manufacturer in the same price range are considered together in stating their market share and growth or if they are related in character but they are generally regarded to be in the same category in the Czech market.

Assuming use of premium facilities like those contracted in 1996 or the currently available Proposed Facilities and the GMODC/GMEAI S Motors 1995 planned and currently budgeted and forecast, premium dealer marketing and service (Financial Forecast Lines 186 - 453 and 626 - 637) with the reduction in unit sales on Lines 13C - D, 14C - D and 15C - D on Page 30 in accordance with GME's reported model mix experience in markets without such uniformly premium, Cadillac and Chevrolet, value- and volume-supporting, sales, servicing and marketing and the sharply competitive price indexing of GM American vehicles in those markets projectible on a screen and alternatively printable with the resulting Rates of Return reported in Column I on Page 10 of the Reply To GME's February 2001 First Consideration of U.S. Motors' Proposals and with no GM American model's market share rising by the Third Year beyond its proportionate fair share even with such premium facilities, marketing and service and such sharply competitive pricing.

	UPPER-MIDDLE LEVEL SEDANS II	First Three Quarters 1999 Units	First Three Quarters 1999 Relevant Market Share	1999 Units	1999 Relevant Market Share	First Three Quarters 2000 Units	First Three Quarters 2000 Relevant Market Share	Units In First Three Quarters 2000 Over 1999	Market Share In First Three Quarters 2000 Over 1999	Projected 2000 Based On First Three Quarters 2000 Over 1999 Units	Projected 2000 Based On First Three Quarters 2000 Over 1999 Relevant Market Share	Average List Price Crowns	Average List Price Dollars	Computation Of Weighted Average Competitive List Price
1	Subaru Legacy	72	23.8%	108	24.7%	162	47.6%	225.0%	200.5%	243	43.7%	1,168,000	29,150	7,083,381
2	Rover 75	12	4.0%	32	7.3%	56	16.5%	466.7%	415.9%	149	26.9%	1,126,575	28,116	841,355
3	Nissan Maxima	50	16.5%	57	13.0%	115	33.8%	230.0%	205.0%	131	23.6%	981,000	23,984	3,144,254
4	Mercedes C	63	20.8%	73	16.7%	106	31.2%	168.3%	148.8%	123	22.1%	1,219,796	30,442	3,739,097
5	Alfa Romeo 166	47	15.5%	197	45.0%	23	6.8%	48.9%	43.6%	96	17.3%	1,295,000	32,319	3,115,713
6	Mazda Xedos 6	6	**	6	**		**				**			
7	SAAB 9-3	12	4.0%	19	4.3%	12	3.5%	100.0%	89.1%	19	3.4%	1,256,000	31,348	595,573
8	Toyota Camry	26	8.6%	36	8.2%	14	4.1%	53.8%	48.0%	19	3.5%	1,212,180	30,252	588,429
9	Lexus 200	11	3.6%	14	3.2%	14	4.1%	127.3%	113.4%	18	3.2%	1,294,400	32,304	575,603
10	Peugeot 605	4	1.3%	4	0.9%									
	TOTALS*	303	100.0%	438	100.0%	340	100%			556	100%			12,598,025
													Total Sold Units:	556
													Weighted Average Competitive Price:	22,664

FORECAST SHARE OF IMPORTED VEHICLES IN THIS SEGMENT WITHOUT ANY GENERAL GROWTH IN THIS MARKET SEGMENT: **	First Year	Second Year	Third Year	GM German List Price DMs	GM German List Price Crowns	GM German List Price Dollars	COMPETITIVE INDEX
NEW SOLD ALEROS* **	5%	7.5%	10%				
	28	42	56				
Alero 1SC				48,900	853,711	21,306	94%
Alero 1SD				52,000	907,631	22,657	100%

Total Sold Units:	94%
Weighted Average Competitive Price:	100%

* Vehicles of the same manufacturer in the same price range are considered together in stating their market share and growth or if they are related in character but they are generally regarded to be in the same category in the Czech market.

** Assuming use of premium facilities like those contracted in 1996 or the currently available Proposed Facilities and the GMODC/GME/U.S. Motors 1995 planned and currently budgeted and foreca premium dealer marketing and service [Financial Forecast Lines 186 - 453 and 626 - 637] with the reduction in unit sales on Lines 13C - D, 14C - D and 15C - D on Page 30 in accordar with GME's reported model mix experience in markets without such uniformly premium, Cadillac and Chevrolet, value- and volume-supporting, sales, servicing and marketing and the sharply compe price indexing of GM American vehicles in those markets projectible on a screen and alternatively printable with the resulting Rates of Return reported in Column I on Page 10 of the Reply To GM February 2011 First Consideration of U S Motors' Proposals and with no GM American model's market share rising by the Third Year beyond its proportionate fair share even with such premium facili marketing and service and such sharply competitive pricing

	HIGH LEVEL SEDANS	First Three Quarters 1999 Units	First Three Quarters 1999 Relevant Market Share	1999 Units	1999 Relevant Market Share	First Three Quarters 2000 Units	First Three Quarters 2000 Relevant Market Share	Units In First Three Quarters 2000 Over 1999	Market Share In First Three Quarters 2000 Over 1999	Projected 2000 Based On First Three Quarters 2000 Over 1999 Units	Projected 2000 Based On First Three Quarters 2000 Over 1999 Relevant Market Share	Average Competitive List Price Crowns	Average Competitive List Price Dollars	Computation Of Weighted Average Competitive List Price
1	Audi A6	325	*	456	*	409	*	125.8%	*	574	*	1,524,175	38,039	21,826,883
	Audi A8	53	28.9%	70	29.6%	56	33.3%	106%	115.2%	74	32.9%	2,419,878	60,393	4,466,791
2	Mercedes E	161	*	235	*	225	*	*	*	328	*	1,892,311	47,226	15,508,883
	Mercedes S	134	*	153	*	104	*	*	*	119	*	3,175,032	79,239	9,409,350
	Mercedes CLK	58	27.0%	68	25.6%	22	25.1%	121%	93.1%	26	24.0%	1,906,988	47,567	1,226,904
3	BMW 5	176	*	240	*	176	*	*	*	240	*	2,612,375	65,202	15,648,498
	BMW 7	25	16.4%	35	15.5%	28	14.6%	101%	95.0%	39	14.2%	3,236,750	80,854	3,169,488
4	Volvo 70	54	*	83	*	67	*	*	*	115	*	1,386,000	34,600	3,991,340
	Volvo 80	133	14.3%	195	16.2%	113	12.9%	98%	90.1%	166	14.3%	1,571,000	39,207	6,495,747
5	SAAB 9-5	17	1.3%	37	2.1%	42	3.4%	247%	264.4%	91	4.6%	1,886,500	42,090	3,847,512
6	Jaguar S-TYPE	39	*	51	*	45	*	*	*	60	*	1,853,115	46,248	2,774,898
	Jaguar XJ Series		3.0%		2.9%	6	3.7%	131%	122.4%	8	3.4%	2,736,443	68,268	519,836
7	Chrysler 300 M	50	3.8%	64	3.6%	44	3.2%	88%	82.4%	56	2.9%	1,432,550	35,752	2,013,557
8	Renault Safrane	19	1.5%	26	5.1%	12	0.9%	63%	59.1%	16	0.8%	1,545,425	38,569	633,345
9	Peugeot 607				1.5%	27	1.9%			34	1.7%	1,470,950	36,710	1,257,906
10	Honda Legend	25	1.9%	26	1.5%	13	0.9%	52%	48.7%	14	0.7%	1,549,000	38,658	522,660
11	Daewoo Chairman	15	1.1%		1.5%							1,882,840	46,486	
12	Lexus 300	17	*	21	*	5	0.4%	29%	*	6	*			
	Lexus 400	6	1.8%	9	1.7%	2	0.1%	33%	8.1%	3	0.5%	3,033,100	75,697	227,091
	TOTALS.	1,307	100.0%	1,779	100.0%	1,398	100%			1,970	100%			93,543,806
													Total Sold Units:	1,970
													Weighted Average Competitive Price	47,490

FORECAST SHARE OF IMPORTED VEHICLES IN THIS SEGMENT WITHOUT ANY GENERAL GROWTH IN THIS MARKET SEGMENT **	First Year	Second Year	Third Year	GM German List Price DMs	GM German List Price Crowns	GM German List Price Dollars	COMPETITIVE INDEX
	7%	10%	11%				
NEW SOLD CADILLACS: **	138	197	224				
SEVILLE SLS.				90,700	1,583,466	39,519	83%
SEVILLE STS				104,100	1,817,409	45,357	96%

* Vehicles of the same manufacturer in the same price range are considered together in stating their market share and growth or if they are related in character but they are generally regarded to be in the same category in the Czech market.

** Assuming use of premium facilities like those contracted in 1998 or the currently available Proposed Facilities and the GM/ODC/GME/U.S. Motors 1998 planned and currently budgeted and forecast, premium dealer marketing and service [Financial Forecast Lines 160 - 453 and 626 - 637] with the reduction in unit sales on Lines 13C - D, 14C - D and 15C - D on Page 30 in accordance with GME's reported model mix experience in markets without such uniformly premium, Cadillac and Chevrolet, value- and volume-supporting, sales, servicing and marketing and the sharply competitive price indexing of GM American vehicles in those markets projectible on a screen and alternatively printable with the resulting Rates of Return reported in Column I on Page 10 of the Reply To GME's February 2001 First Consideration of U.S. Motors' Proposals and with no GM American model's market share rising by the Third Year beyond its proportionate fair share even with such premium facilities, marketing and service and such sharply competitive pricing.

	OFF-ROAD VEHICLES	First Three Quarters 1999 Units	First Three Quarters 1999 Relevant Market Share	1999 Units	1999 Relevant Market Share	First Three Quarters 2000 Units	First Three Quarters 2000 Relevant Market Share	Units In First Three Quarters 2000 Over 1999	Market Share In First Three Quarters 2000 Over 1999	Projected 2000 Based On First Three Quarters 2000 Over 1999 Relevant Market Share	Projected 2000 Based On First Three Quarters 2000 Over 1999 Relevant Market Share	Average Competitive List Price Crowns	Average Competitive List Price Dollars	Computation Of Weighted Average Competitive List Price
1	Mitsubishi Pajero Sport	55	*	110	*	201	*	365.5%	*	402	*	1,072,950	26,778	10,764,579
	Mitsubishi Pajero	29	13.3%	40	17.1%	100	40.8%	344.8%	307.6%	138	32.5%	1,273,075	31,772	4,382,354
2	Nissan Patrol	153	*	204	*	141	*	92.2%	*	188	*	1,296,500	32,357	6,083,057
	Nissan Terrano II	78	36.5%	109	35.6%	100	32.7%	128.2%	89.6%	140	19.7%	998,750	24,926	3,483,214
3	Opel Frontera	112	*	174	*	141	*	125.9%	*	219	*	940,400	23,470	5,141,081
	Opel Monterey	1	17.9%	1	19.9%		19.1%		107.2%	1	13.2%	1,319,900	32,941	32,941
4	Toyota Land Cruiser	130	20.5%	167	19.1%	120	16.3%	92.3%	79.3%	154	9.3%	1,946,667	48,583	7,489,236
5	Land Rover Discovery	12	*	23	*	18	*	150.0%	*	35	*	1,442,750	36,007	1,242,229
	Land Rover Defender	10	*	24	*	45	*	450.0%	*	108	*	1,136,875	28,373	3,064,277
	Range Rover	5	4.3%	8	6.3%	5	9.2%	100.0%	216.3%	8	9.0%	2,193,075	54,732	437,860
6	Mercedes ML	77	*	93	*	106	*	137.7%	*	128	*	2,111,500	52,697	6,746,533
	Mercedes G		12.2%	6	11.3%	1	14.5%	16.7%	119.4%	6	8.1%	2,332,599	58,215	349,287
7	Chrysler Jeep Grand Cherokee	54	*	68	*	59	*	109.3%	*	74	*	1,797,500	42,814	3,166,062
	Chrysler Jeep Cherokee	1	8.7%	1	7.9%	1	8.1%	100.0%	93.7%	1	4.5%	1,059,512	26,442	26,442
8	Ford Explorer	28	4.4%	39	4.4%	44	6.0%	157.1%	135.0%	61	3.7%	1,244,500	31,059	1,903,468
	TOTALS.	633	100%	878	100%	737	100%			1,663	100%			54,312,820
													Total Sold Units	1,663
												Weighted Average Competitive Price		32,660

FORECAST SHARE OF IMPORTED VEHICLES IN THIS SEGMENT WITHOUT ANY GENERAL GROWTH IN THIS MARKET SEGMENT *	First Year	Second Year	Third Year	GM German List Price DMs	GM German List Price Crowns	GM German List Price Dollars	COMPETITIVE INDEX
	3%	4%	5%	83	DMs	Crowns	Dollars
NEW SOLD BLAZERS *	50	67	83				
Blazer LS 5-Speed Manual	125	168	207.87375	83,350	1,105,963	27,602	85%
Blazer LS 4-Speed Automatic	8%	10%	13%	85,950	1,151,375	28,735	88%
Blazer LT Automatic				88,700	1,199,385	29,933	92%

* Vehicles of the same manufacturer in the same price range are considered together in stating their market share and growth or if they are related in character but they are generally regarded to be in the same category in the Czech market

* Assuming use of premium facilities like those contracted in 1996 or the currently available Proposed Facilities and the GMOOC/GME/U S. Motors 1998 planned and currently budgeted and forecast, premium dealer marketing and service [Financial Forecast Lines 168 - 453 and 626 - 637] with the reduction in unit sales on Lines 13C - D, 14C - D and 15C - D on Page 30 in accordance with GME's reported model mix experience in markets without such uniformly premium, Cadillac and Chevrolet, value- and volume-supporting, sales, servicing and marketing and the sharply competitive price indexing of GM American vehicles in those markets projectible on a screen and alternatively printable with the resulting Rates of Return reported in Column I on Page 10 of the Reply To GME's February 2001 First Consideration of U S Motors' Proposals and with no GM American model's market share rising by the Third Year beyond its proportionate fair share even with such premium facilities marketing and service and such sharply competitive pricing

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	PASSENGER VANS	First Three Quarters 1999 Units	First Three Quarters 1999 Relevant Market Share	1999 Units	1999 Relevant Market Share	First Three Quarters 2000 Units	First Three Quarters 2000 Relevant Market Share	Units In First Three Quarters 2000 Over 1999	Market Share In First Three Quarters 2000 Over 1999	Projected 2000 Based On First Three Quarters 2000 Over 1999 Units	Projected 2000 Based On First Three Quarters 2000 Over 1999 Relevant Market Share	Average Competitive List Price Crowns	Average Competitive List Price Dollars	Computation Of Weighted Average Competitive List Price
1	Mazda MPV	11	2.6%	18	3.1%	96	22.9%	873%	895.6%	157	26.1%	919,900	22,958	3,606,477
2	Mercedes Vito	19	4.4%	27	4.7%	66	15.7%	347%	358.5%	94	15.6%	1,460,135	36,441	3,417,737
4	Renault Espace	50	11.6%	75	13.0%	48	11.4%	96%	98.5%	72	12.0%	1,273,000	31,770	2,287,454
5	VW Sharan	94	21.8%	123	21.4%	46	11.0%	49%	50.2%	60	10.0%	922,975	23,035	1,386,468
7	Ford Galaxy	64	14.8%	83	14.4%	45	10.7%	70%	72.2%	58	9.7%	962,000	24,009	1,401,126
6	Seat Alhambra	73	16.9%	89	15.5%	39	9.3%	53%	54.8%	48	7.9%	918,815	22,861	1,087,940
8	Chrysler Voyager	47	10.9%	56	9.7%	32	7.6%	68%	69.9%	38	6.3%	1,225,950	30,598	1,166,553
9	Peugeot 806	17	3.9%	27	4.7%	20	4.8%	118%	120.7%	32	5.3%	920,000	22,960	729,330
3	Mitsubishi Space Wagon	8	*	13	*	13	*	163%		21	3.5%	972,675	24,275	512,809
	Mitsubishi Space Gear		1.9%		2.3%	1	3.3%		179.6%	1	0.2%	1,058,825	26,425	26,425
10	Citroen Evasion	7	1.6%	10	1.7%	5	1.2%	71%	73.3%	7	1.2%	960,825	23,979	171,280
11	Opel Sintra	31	7.2%	32	5.6%	5	1.2%	16%	16.6%	5	0.9%	1,132,400	28,261	145,865
12	Fiat Ulysse	3	0.7%	3	0.5%	1	0.2%	33%	34.2%	1	0.2%	879,000	21,937	21,937
13	Honda Shuttle	7	1.6%	19	3.3%	3	0.7%	43%	44.0%	8				
	TOTALS.	431	100%	575	100%	420	100%			602	100%			15,961,423
													Total Sold Units:	602
													Weighted Average Competitive Price:	26,494

FORECAST SHARE OF IMPORTED VEHICLES IN THIS SEGMENT WITHOUT ANY GENERAL GROWTH IN THIS MARKET SEGMENT * NEW SOLD TRANS SPORTS **	First Year	Second Year	Third Year	GM German List Price DMs	GM German List Price Crowns	GM German List Price Dollars	COMPETITIVE INDEX
	2%	3%	4%				
	12	18	24				
Trans Sport 1SB				64,100	1,119,077	27,929	105%
Trans Sport 1SC/1SD				65,800	1,148,756	28,669	108%
Trans Sport 1S E				68,400	1,194,148	29,802	112%

* Assuming use of premium facilities like those contracted in 1996 or the currently available Proposed Facilities and the GMODC/GME/U S Motors 1995 planned and currently budgeted and forecast, premium dealer marketing and service [Financial Forecast Lines 186 - 453 and 626 - 637] with the reduction in unit sales on Lines 13C - D, 14C - D and 15C - D on Page 30 in accordance with GME's reported model mix experience in markets without such uniformly premium, Cadillac and Chevrolet, value- and volume-supporting, sales, servicing and marketing and the sharply competitive price indexing of GM American vehicles in those markets projectible on a screen and alternatively printable with the resulting Rates of Return reported in Column I on Page 10 of the Reply To GME's February 2011 First Consideration of U S Motors' Proposals and with no GM American model's market share rising by the Third Year beyond its proportionate fair share even with such premium facilities, marketing and service and such sharply competitive pricing.

	LIGHT SPORT CARS	First Three Quarters 1999 Units	First Three Quarters 1999 Relevant Market Share	1999 Units	1999 Relevant Market Share	First Three Quarters 2000 Units	First Three Quarters 2000 Relevant Market Share	Units In First Three Quarters 2000 Over 1999	Market Share In First Three Quarters 2000 Over 1999	Projected 2000 Based On First Three Quarters 2000 Over 1999 Units	Projected 2000 Based On First Three Quarters 2000 Over 1999 Relevant Market Share	Average Competitive List Price Crowns	Average Competitive List Price Dollars	Computation Of Weighted Average Competitive List Price
1	Audi TT	77	60.2%	105	71.9%	53	51.5%	68.8%	85.5%	72	59.1%	1,393,500	34,778	2,513,466
2	Mazda MX 5	21	16.4%	23	15.8%	16	15.5%	76.2%	94.7%	18	14.3%	729,900	18,216	319,216
3	Honda S 2000	3	2.3%	4	2.7%	10	9.7%	333.3%	414.2%	13	10.9%	1,590,000	39,682	529,067
4	Alfa Romeo GTV/Spider	4	3.1%	5	3.4%	6	5.8%	150.0%	186.4%	8	6.1%	1,190,000	29,699	222,741
5	Chrysler Stratus Cabrio			2	1.4%	4	3.9%			5	4.3%	1,136,000	28,401	147,685
6	Volvo C 70	13	10.2%	2	1.4%	9	8.7%	69.2%	86.0%	1	1.1%	1,585,000	39,557	54,771
7	MG F	2	1.6%	2	1.4%	3	2.9%	150.0%	186.4%	3	2.5%			
8	Nissan 200 SX	1	0.8%	1	0.7%	1	1.0%	100.0%	124.3%	1	0.8%			
9	Toyota Celica	1	0.8%	1	0.7%	1	1.0%	100.0%	124.3%	1	0.8%			
10	Honda Prelude	6	4.7%	1	0.7%									
	TOTALS	128	100%	146	100%	103	100%			122	100%			3,786,965
													Total Sold Units:	122
													Weighted Average Competitive Price	30,986

FORECAST SHARE OF IMPORTED VEHICLES IN THIS SEGMENT WITHOUT ANY GENERAL GROWTH IN THIS MARKET SEGMENT *	First Year	Second Year	Third Year	GM German List Price DMs	GM German List Price Crowns	GM German List Price Dollars	COMPETITIVE INDEX
	8%	9%	10%				
NEW SOLD CAMAROS *	10	11	12				
Camaro Coupe A - Automatic				49,740	868,378	21,672	70%
Camaro Coupe A - Manual				47,100	822,286	20,522	66%
Camaro Coupe B - Automatic				52,540	917,259	22,892	74%
Camaro Coupe B - Manual				49,900	871,168	21,742	70%
Camaro Cabriolet A - Automatic				58,940	1,028,992	25,681	83%
Camaro Cabriolet A - Manual				56,300	982,902	24,530	79%
Camaro Cabriolet B -Automatic				60,340	1,053,434	26,290	85%
Camaro Cabriolet B -Manual				57,700	1,007,344	25,140	81%
Camaro Z28 C - Automatic				59,900	1,045,752	26,099	84%
Camaro Z28 C - Manual				59,900	1,045,752	26,099	84%
Camaro Z28 D - Automatic				62,800	1,096,381	27,362	88%
Camaro Z28 D - Manual				62,800	1,096,381	27,362	88%

** Assuming use of premium facilities like those contracted in 1996 or the currently available Proposed Facilities and the GMODC/GMEAU S Motors 1998 planned and currently budgeted and forec premium dealer marketing and service [Financial Forecast Lines 188 - 453 and 625 - 537] with the reduction in unit sales on Lines 13C - D, 14C - D and 15C - D on Page 30 in accorda with GME's reported model mix experience in markets without such uniformly premium, Cadillac and Chevrolet, value- and volume-supporting, sales, servicing and marketing and the sharply comp price indexing of GM American vehicles in those markets projectible on a screen and alternatively printable with the resulting Rates of Return reported in Column I on Page 10 of the Reply To GI February 2011 First Consideration of U S Motors' Proposals and with no GM American model's market share rising by the Third Year beyond its proportionate fair share even with such premium faci marketing and service and such sharply competitive pricing

	LUXURY SPORT CARS *	First Three Quarters 1999 Units	First Three Quarters 1999 Relevant Market Share	1999 Units	1999 Relevant Market Share	First Three Quarters 2000 Units	First Three Quarters 2000 Relevant Market Share	Units In First Three Quarters 2000 Over 1999	Market Share In First Three Quarters 2000 Over 1999	Projected 2000 Based On First Three Quarters 2000 Over 1999 Units	Projected 2000 Based On First Three Quarters 2000 Over 1999 Relevant Market Share	Average List Price Crowns	Average List Price Dollars	Computation Of Weighted Average Competitive List Price
1	Mercedes SLK	17	-	18	54 8%	15	34 9%	88 2%	83 6%	16	32 0%	1,338,952	33,366	533,860
	Mercedes SL	1	58 1%	1	3 2%	1	2 3%	100 0%	72.1%	1	2 0%	4,613,253	115,133	115,133
2	BMW Z-3	12	-	14	9 6%	12		100 0%		14		1,891,425	47,204	660,859
	BMW Z8		-		12 9%	4	9.3%		72.1%	5	10 0%	4,988,700	124,503	622,514
	BMW Cabrio		38 7%			3	7.0%			4	8 0%	1,891,425	47,204	188,817
3	Jaguar XK					3				4		2,871,235	71,657	286,629
4	Porche Carrera				9 7%	1	2 3%		24 0%	1	2 0%	4,586,000	114,453	114,453
	Porche Boxter				3.2%	4	9 3%		266 4%	5	10 0%	2,186,250	54,562	272,811
5	Chrysler Viper	1	3 2%											
	TOTALS	31	100%	33	100%	43	100%			50	100%			2,795,074
													Total Sold Units:	50
													Weighted Average Competitive Price:	55,901

FORECAST SHARE OF IMPORTED VEHICLES IN THIS SEGMENT WITHOUT ANY GENERAL GROWTH IN THIS MARKET SEGMENT **	First Year	Second Year	Third Year
	15%	18%	20%
NEW SOLD CORVETTES **	8	9	10

	GM German List Price DMs	GM German List Price Crowns	GM German List Price Dollars	COMPETITIVE INDEX
Corvette Coupe 1SA - Automatic	99,900	1,744,084	43,527	78%
Corvette Coupe 1SA - Manual	103,050	1,799,078	44,899	80%
Corvette Coupe 1SB - Automatic	104,300	1,820,900	45,444	81%
Corvette Coupe 1SB - Manual	107,450	1,875,894	46,817	84%
Corvette Cabriolet A - Automatic	115,100	2,009,450	50,150	90%
Corvette Cabriolet A - Manual	118,250	2,064,444	51,522	92%
Corvette Cabriolet B - Automatic	119,500	2,086,267	52,067	93%
Corvette Cabriolet B - Manual	122,650	2,141,260	53,439	96%

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* Prague's active Corvette club, for many years, and the observations of Czechs in automotive market circles during 1993 - 2001 are the bases for the estimated sales of Corvette vehicles, the degree of the fulfillment of which will not materially change the character of the forecast general outcomes

** Assuming use of premium facilities like those contracted in 1996 or the currently available Proposed Facilities and the GMODC/GME/U S Motors 1995 planned and currently budgeted and forecast, premium dealer marketing and service [Financial Forecast Lines 186 - 453 and 629 - 637] with the reduction in unit sales on Lines 13C - D, 14C - D and 15C - D on Page 30 in accordance with GME's reported model mix experience in markets without such uniformly premium, Cadillac and Chevrolet, value- and volume-supporting, sales, servicing and marketing and the sharply competitive price indexing of GM American vehicles in those markets projectible on a screen and alternatively printable with the resulting Rates of Return reported in Column I on Page 10 of the Reply To GME's February 2001 First Consideration of U S. Motors' Proposals and with no GM American model's market share rising by the Third Year beyond its proportionate fair share even with such premium facilities, marketing and service and such sharply competitive pricing.